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FBIS-LAT-93-017 *28 January 1993*

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Cuba

Stiff Penalties Imposed on Drug Traffickers

PA2701134693 Havana Radio Havana Cuba in Spanish 0000 GMT 27 Jan 93

[Text] Illegal drug traffickers believe that by having advanced air and maritime navigation systems, they can evade Cuban authorities' efforts at vigilance. It is true that, because of our condition as an underdeveloped country, Cuban border and coast guards find it impossible to maintain a uniform surveillance of all our coast line. Given that, all possible efforts are made to ensure that drug traffickers are punished.

For more than 20 years, this island, which does not produce, transport, or consume illegal substances, has fought against the activities of international drug traffickers in their efforts to benefit from Cuba's strategic location with the same resources it uses for its defense. This Caribbean nation is the half way point along the route between the region where drugs are harvested and processed and their destination, the latter being the United States, the main drug consumer.

Despite adverse propaganda campaigns, Cuba met its international commitment in the fight against drugs. From 1990 to July 1992, Cuba captured 36 smugglers red handed just off the Cuban coast. On the weekend of 23 January, four Cuban citizens and one U.S. citizen were sentenced to seven to 20 years in prison for possession and trafficking of drugs and other toxic substances, and for illegal entry of national territory. These persons, who are U.S. residents, were arrested in April 1992 in waters off the coast of the eastern Ciego de Avila Province. As prosecutor Manuel Prieto stated during the trial, Cuban law severely punishes drug traffickers, which is especially significant now that the United Nations has declared this the decade of uncompromising struggle against this plague.

This time, U.S. authorities, who have tried before to implicate Cuba as an alleged sanctuary for illegal drug trafficking, adopted an attitude of cooperation by providing Cuba with information that helped in finding the accused guilty. If the United States were to maintain a similar attitude all the time, the Caribbean nations, including Cuba, could reach detailed agreements with Washington aimed at more effectively confronting drug trafficking in the Caribbean.

PRENSA LATINA, NOTIMEX To Increase Cooperation

PA2701141193 Havana Radio Havana Cuba in Spanish 0000 GMT 27 Jan 93

[Interview with PRENSA LATINA President Pedro Margolles by Pedro Martinez Pirez in Mexico City—live or recorded]

[Text] [Martinez] Greetings, this is Pedro Martinez Pirez in Mexico City. We are here with PRENSA LATINA President Pedro Margolles. Why are you here, Margolles?

[Margolles] Pedro, we are here at the invitation of NOTIMEX, with which PRENSA LATINA has done business for many years. We will sign a cooperation agreement to ratify the main guidelines of cooperation we have been reviewing, and we will establish others. This will allow PRENSA LATINA to increase its services throughout Mexico and part of Central America. It will allow NOTIMEX to send its reports to Cuban media through PRENSA LATINA.

[Martinez] PRENSA LATINA and NOTIMEX have strong ties. In fact, I believe NOTIMEX has stronger ties with PRENSA LATINA than with any other news agency in Latin America. Is that right, Margolles?

[Margolles] Certainly. NOTIMEX is one of the most powerful news agencies on our continent. It is an independent agency that has noticeably increased its services in recent years and, frankly, we are...[pauses] We are not competitors and we do not want to compete. We want to cooperate, complement each other, and help each other in certain cases. We did it some time ago, when we provided support to NOTIMEX during the Pan-American Games in Havana. NOTIMEX helps us render our services by providing technical support and cooperation, and exchanging journalists, like we have done on previous occasions.

We have had a smooth, frank, and open dialogue. Logically, each of the agencies has its own style, editorial guidelines, and work system. We think the two agencies, NOTIMEX and PRENSA LATINA, are two instruments for the dissemination of reports on events in Latin America, and reports on our people's culture, sports, and science. It is a valid instrument for Latin American journalism.

[Martinez] Margolles, I know you visited the Federation of Latin American Journalists, FELAP, on 25 January and with FELAP Secretary General Luis Suarez. Have you had any contacts with other media in Mexico City?

[Margolles] Yes, of course. We have visited the PROCESO, SIEMPRE, LA JORNADA, and EL SOL DE MEXICO offices. We talked with some Mexican media officials and NOTIMEX Board of Directors. In fact, we are quite pleased. We have also established contacts with FELAP leaders, comrades who carry out such an important work as media professionals. I must add that this important news organization in the Mexican capital is interested in increasing and strengthening professional cooperation among the media. It is also quite interested in the information that comes out of Cuba.

For example, I have seen the great interest that has prevailed—for several weeks, of course—about Cuba's electoral process. I think the 24 February elections, for which provincial and national assembly candidates have

been chosen, will be closely followed by the Latin American and Mexican media. Cuban and Latin American journalists are duty bound to report this important event, meaning the upcoming elections in Cuba, in the best, most objective, and most accurate way.

Heavy Rains Relieve Drought-Stricken Province

FL2801123193 Havana Radio Rebelde Network in Spanish 1800 GMT 27 Jan 93

[Text] Luis Estruch Rancano, the president of the Santiago de Cuba Municipal Assembly of the People's Government, has assessed as positive the effects so far of the almost stationary front that is causing locally intense showers in Santiago de Cuba Province. These showers are now becoming fewer and farther between. In an exclusive interview for this newscast, Estruch showed with very eloquent data the very positive results of these rains; for example, the over 35 million cubic meters of water that the dams and reservoirs that traditionally supply water to the city of Santiago de Cuba have gained.

Charco Mono is finally full, having reached its maximum capacity of 4.6 million cubic meters; Gilbert gained 14.5 million; Parada gained 11 million; and Gota Blanca also gained 11 million.

Estruch explained that this does not mean that the water problem in Santiago has been solved, but it does provide relief for the serious situation we were confronting two days ago because of the very brutal drought that has stricken this province, leaving almost all the sources of water supply to the population reduced. Estruch also said he considered the results of the rains beneficial to agriculture, for all crops currently under cultivation.

As was to be expected, a certain amount of damage has been reported, mainly in the residential sector: 107 people had to be evacuated, 80 of them from the El Cobre area. These people have already begun returning home. So far, 261 housing units have been damaged: 7 have collapsed totally, 57 have collapsed partially, and 197 have been slightly damaged. Several brigades of technicians from the Provincial Housing Directorate are assessing the damage to buildings and examining possible alternative solutions. Meanwhile, another brigade is in charge of shoring up all those buildings that require it.

Indeed, friends, the rains over Santiago are now becoming fewer and farther between, and the sun is struggling to emerge so as to once again warm this land, which has been thirsty for several years now.

Officials Meet Iraqi National Assembly Delegation

JN2701175593 Baghdad Republic of Iraq Radio Network in Arabic 1500 GMT 27 Jan 93

[Text] Officials from the Communist Party of Cuba [PCC] have affirmed solidarity with, and support for, the Iraqi people and their historic leadership as they resist the schemes and arrogant adventures of U.S. imperialism against the hopes and aspirations of struggling people everywhere. This came during a meeting between a delegation representing the [Iraqi] National Assembly currently visiting Cuba and the director of the PCC Foreign Relations Bureau, the international relations coordinator, and the official in charge of Middle Eastern affairs in the Foreign Relations Bureau.

Earlier in their visit, the National Assembly delegation held talks with the head of the Cuban side of the joint Cuban-Iraqi Committee. Those talks dealt with bolstering bilateral relations of friendship and cooperation in all fields. During the talks, the Iraqi delegation discussed in detail Iraq's stand on the recent U.S. aggression, its motives, and ways of confronting it. The delegation also explained that the Iraqi people are rallying around the leadership of President Saddam Husayn. The head of the Cuban side, who currently serves as the minister of economic cooperation, affirmed Cuba's solidarity with the Iraqi people as they confront the brutal U.S. aggression and evil schemes against Iraq's sovereignty, independence, and territorial integrity. He said that the United States, France, and Great Britain, suffering contradictions and insoluble economic problems at home, seek through force and aggression to control other nations and loot their resources. He expressed absolute confidence in Iraq's victory and the failure of all chapters of the treacherous aggression.

The National Assembly delegation also met with Dr. (Caberas), head of the Iraqi-Cuban Friendship Union and member of the PCC Central Committee. He expressed full confidence that Iraq will emerge victorious from its confrontation with the U.S. aggression and imperialist schemes aimed at harming Iraq's sovereignty and independent will.

Trade Minister Meets With Japanese Deputies

FL2701144093 Havana Radio Rebelde Network in Spanish 1255 GMT 27 Jan 93

[Text] A delegation of Japanese deputies on a working visit to Cuba is touring the Turtle Breeding Center on the Isle of Youth with a view to reactivating the exportation of Cuban turtles to Japan. The Japanese delegation met yesterday with Foreign Trade Minister Ricardo Cabrisas, who has explained that in the past Cuba has exported as much as five tons of turtle per year, worth some $2 million. The Cuban foreign trade minister explained to the visitors the efforts our country is making, in the middle of the great difficulties it is experiencing, and stressed the main lines being followed in order to resist and, at the same time, develop.

Jamaican Foreign Minister Arrives in Havana

FL2801030093 Havana Cuba Vision Network in Spanish 0100 GMT 28 Jan 93

[Text] On the afternoon of 27 January, David Hamilton Coore, the Jamaican senator and minister of foreign affairs and foreign trade, arrived in Cuba.

David Hamilton Coore traveled to Cuba in the company of (Cheryl Dole), the general director for multilateral and European affairs, and other Jamaican Foreign Ministry officials. He was greeted at Jose Marti International Airport by Cuban Vice Foreign Minister Ramon Sanchez-Parodi.

During their stay in Cuba, the Jamaican delegates will hold official talks with their Cuban counterparts and will visit sites of economic and social interest in Havana. The Jamaican minister highly praised the development of bilateral relations with Cuba.

[Begin Coore recording] Our relations with Cuba are historic and very good. Obviously, no matter how good a thing is, it can always be improved. Therefore, I hope that we will have that effect. [end recording]

Antigua and Barbuda

Third-Country Mutual Assistance Act Passed

FL2701214193 Bridgetown CANA in English 1942 GMT 27 Jan 93

[Text] St John's, Antigua, Jan 27, CANA—The Antigua and Barbuda Government has joined other countries of the Commonwealth in enacting legislation to give mutual assistance to third countries in criminal matters. The Mutual Assistance in Criminal Matters Act was passed in the House of Representatives last Thursday "to facilitate its operation" here. The act covers areas such as search and seizure, transferring of a prisoner and documents, and immunities and privileges.

'Stiffer Penalties' for Drug Crimes Introduced

FL2701214093 Bridgetown CANA in English 1935 GMT 27 Jan 93

[Text] St. John's, Antigua, Jan 27, CANA--The Antigua and Barbuda Government has introduced stiffer penalties including possible life imprisonment for persons convicted for trafficking or possession of illegal drugs.

An amendment to the Misuse of Drugs Act was passed in the House of Representatives last Thursday giving magistrates the power to sentence criminals for life. The principal act was also amended to fine drug traffickers EC250,000 dollars (one EC dollar = 37 U.S. cents) or three times the street value, whichever is the greater.

Minister of Legal Affairs Keith Forde, said the amendment brings the act "in line with new development in the investigation, prosecution, and punishment of drug related offences." Forde said it "attempts to discourage drug trafficking and drug related offences by depriving the criminals and persons connected with them from benefiting from the fruits of their crime."

Dominican Republic

Clinton Reportedly Plans To Meet With Balaguer

FL2601225093 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 26 Jan 93

[Text] U.S. President Bill Clinton, who is trying to solve the problem of the Haitian boat people, intends to meet with Dominican President Joaquin Balaguer concerning the Haitian crisis. This news was announced by Dominican Vice Foreign Minister Fabio Herrera Cabral on 25 January. Herrera also reports that Clinton has indicated he is interested in talking to Dominican ambassador to Washington, Jose del Carmen Ariza. Although he disagrees with the embargo imposed on Haiti by the OAS, President Balaguer has been obliged to comply with the decision of the 34 OAS member countries.

AFP reports that while meeting recently in Petionville with former U.S. presidential candidate Jesse Jackson, Marc Bazin said that he was preparing to meet with President Aristide.

Back in the Dominican Republic, Vice Foreign Minister Herrera said that Democratic President Bill Clinton has decided to maintain contact with Balaguer until the Haitian crisis is resolved. The two presidents will also discuss other issues relating to Latin American and Caribbean countries. Balaguer still maintains that it is the impoverished Haitians who are affected by the OAS embargo. In his opinion, this is the reason they are leaving their country in droves.

In a statement on Dominican television Channel 9, Haitian Prime Minister Bazin stated that it would not be advantageous for the solution to the Haitian crisis to run contrary to the interests of the Dominican Republic. The negotiations with the OAS have just begun, according to Bazin, who told the television station that he would meet with Balaguer to discuss the Haitian political crisis. So the Dominican president will wait for two personalities to talk about the Haitian case: first, with American President Bill Clinton who will begin steps with the Dominican ambassador in Washington; then with Marc Bazin, who wishes to maintain good relations with the United States of America.

Grenada

Opposition Party Executive Richard Lewis Resigns

FL2401233393 Bridgetown CANA in English 1716 GMT 24 Jan 93

[Text] St. George's, Grenada, Jan 24, CANA—The assistant general secretary of Grenada's opposition New National Party (NNP) has resigned, saying actions by the party had proved to "the world (its) unreadiness for higher office".

Richard Lewis accused party leader Dr Keith Mitchell and the executive of "undemocratic behaviour". Speaking to CANA, he also referred to what he described as the party "washing its dirty linen in public" and a growing intolerance of opposing views within the party.

Former General Secretary Reynold Benjamin, who also resigned from the party recently, also had levelled similar charges against the leadership of the NNP which was ahead of other political parties here in an opinion poll published last year.

General Secretary Joslyn Whiteman offered no comment when asked by CANA for a reaction to Lewis' resignation and the charges he had made. Party leader Dr Mitchell too declined comment: "I am not going to respond to Richard, I will not promote him," he said.

The NNP, which was elected to office in the 1984 general elections under the leadership of the late Prime Minister Herbert Blaize, has had a turbulent history.

After Dr Mitchell replaced Blaize as party leader at a convention in 1988, Blaize and his supporters broke away and formed The National Party (TNP) which held power until general elections in March 1990.

The NNP won two seats in the 1990 poll. Dr Mitchell, however, soon found himself as the sole NNP representative in Parliament as his elected colleage, Malcolm Antoine, cut ties with the party after accusing his leader of dictatiorial behaviour.

Haiti

Marc Bazin Rejects UN, OAS Terms of Reference

PA2801042093 Mexico City NOTIMEX in Spanish 0335 GMT 28 Jan 93

[Text] Port-au-Prince, 27 Jan (NOTIMEX)—On 27 January, Marc Bazin, de facto prime minister of Haiti, rejected "the civilian UN and OAS mission's terms of reference" proposed by Dante Caputo.

Bazin said, in a message broadcast by radio and television, the civilian mission's terms of reference were delivered on 22 January and "confirmed our apprehensions about the statements given by Dante Caputo," special representative of the two international organizations.

Bazin summarized some of the points concerning the "terms of reference" with which he disagrees. First of all, the de facto prime minister said, the mission would directly obey the UN and OAS secretaries general.

Second, the mission would have the right to verify the way in which guarantees established in the Haitian Constitution are respected, as well as international agreements signed by Haiti, he added.

He also mentioned the fact that the mission would be able to travel anywhere in the country without prior notice and without an escort, and he mentioned the mission would have a one year mandate, which could be extended.

"I am a Haitian and I cannot sign that document," stated Bazin, who reasserted his adherence to the principle of a civilian mission and negotiations, but "in an atmosphere of mutual respect and understanding."

Bazin asked the international community to "recognize the principle of an electoral legitimacy as the only means to achieve power."

Marc Bazin also announced the creation of a joint task force that will be comprised of Army and private sector representatives. The group's mission will be to analyze the document proposed by Dante Caputo and submit recommendations to the government.

Public Prosecutor Refuses To Handle Izmery Case

FL2601221593 Port-au-Prince Radio Metropole in French 1145 GMT 26 Jan 93

[Text] Izmery's case has been refused by the public prosecutor's department. Businessman Antoine Izmery, arrested on 23 January for driving without his driver's license, was handed over to the public prosecutor of the Port-au-Prince civil court on 25 January. The government commissioner declared himself unqualified to handle the case, which is, according to him, within the domain of a simple court or a justice court. Our position is to determine whether it is a political matter, stated the commissioner, pointing out that Mr. Izmery was arrested for forgery. Immediately following the commissioner's order, Antoine Izmery was taken to the National Penitentiary.

Izmery Released Following Appeal

FL2701214293 Port-au-Prince Radio Metropole in French 1145 GMT 27 Jan 93

[Excerpt] Antoine Izmery regained his freedom after three days of imprisonment in the National Penitentiary. Mr Izmery was released on 26 January. Imprisoned on the charge of driving without a driver's license, the accusation of forgery was then added to his juridical file. After a first appeal before the government commissioner, Mr. Izmery was released. [passage omitted]

Opposition Deputies Declare Elections Invalid

FL2701164593 Port-au-Prince Radio Metropole in French 1145 GMT 27 Jan 93

[Text] Opposition deputies have declared the 18 January ballot invalid, following a major meeting on 25 January of the parliamentary bloc of the National Front for Change and Democracy, FNCD; the National Reconstruction Movement, MRN; and the independents.

These parliamentarians signed a statement containing three points. They state, quote, the elections/selections of 18 January are null and void. Second, any solution to the crisis that would take into account the elections

rejected by the Haitian people and the international community, is unacceptable. Further, they reiterate their commitment to search for a negotiated solution to the satisfaction of all parties involved in the crisi and in light of the Constitution, unquote.

Deputy Makes Statement

FL2701223093 Port-au-Prince Radio Tropic FM in French 1200 GMT 27 Jan 93

[Text] The mock elections of 18 January are null and void, according to independent parliamentarians, those of the National Front for Change and Democracy Parliamentary Bloc [BP-FNCD], and National Reconstruction Movement [MRN] parliamentarians on 25 January. The following is a report by Jeansoi Joseph.

[Begin recording, in Creole] [Joseph] In a statement by the FNCD-PB, the MRN, and the independent parliamentarians, the 18 January elections are null and void. The parliamentarians made this statement after considering certain items in the 1987 Constitution dealing with issues relating to territorial assemblies, national assembly, and the Permanent Electoral Council. The parliamentarians said any solution to the Haitian crisis, which would take these elections into account, would be unacceptable. Deputy Fignole Jean- Louis, president of the FNCD-BP, explained why they plan to denounce the 18 elections and indicate the traps they might include within the scope of the ongoing negotiations.

[Jean-Louis] The international community rejected the Villa d'Accueil [Agreement]. According to what we learned from diplomatic sources—although opinions are not usually shared in diplomatic circles—some diplomats in countries friendly to us, who are struggling for the return of democracy, who say they are struggling for democracy, unofficially encouraged the Villa d'Accueil thing so that if it had gone off well, if the results had been favorable to Bazin, it would have eventually forced President Aristide to accept Bazin as prime minister.

[Joseph] The FNCD-BP, the MRN, and independent parliamentarians said they reaffirmed their commitment to seeking a negotiated solution that can satisfy all parties involved in the country's crisis, while complying with all the provisions of the 1987 Constitution. [end recording]

Police Arrest, Reportedly Abuse Radio Correspondent

FL2601171793 Port-au-Prince Radio Metropole in French 1145 GMT 26 Jan 93

[Text] Radio Cacique news correspondent Jean-Emile Estimable was arrested on 22 January by a rural police authority in Marchand Dessalines. According to a human rights association, he suffered many abuses. According to the Justice and Peace Commission of the Catholic Church, as cited by the HAITIAN PRESS AGENCY, the chief of the sector, M.. (Geles) allegedly dropped several leaflets in favor of ousted President Jean-Bertrand Aristide in the correspondent's pockets in order to arrest him. According to these sources, Mr. Estimable was bound hand and foot and taken by car to the Saint-Marc barracks in a condition termed as shocking. The commission would like the intervention of the human rights organization Amnesty International as well as the OAS observation mission in Haiti in order to release Mr. Estimable.

Military Arrests Radio Owner

FL2701172993 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 27 Jan 93

[Text] The military in Jeremie has arrested Elder Almeus, director and owner of Radio Vision in that city. Almeus is the director of the information office [regional branch of the Ministry of Information, Culture, and Coordination] in that city. The military accuses Almeus of broadcasting programs aimed at inciting people. According to the news we received from Jeremie, the arrest took place on 26 January at around 1100. On the evening of 25 January, the information director presented a program called: The Truth. It appears that what he said during this program was the reason why he spent last night in jail. The military, who came with a justice of the peace, took away all Radio Vision's operating material. Radio Vision is a new radio station which just started in the city.

We also learned that the military in Petit-Goave is seeking a teacher named (Deliskar Myrthil) following a demonstration which apparently took place at the Petit-Goave public high school.

Meanwhile, homemade bombs are exploding in Port-au-Prince every week. The latest explosion, which occurred over the weekend, caused major damage and left one dead and two people in critical condition at the General Hospital. Many people say that Higgins Augustin, who was killed by the bomb, (?was the bearer of the bomb). This information has, however, not been verified.

Jamaica

Paris Club Reschedules $281 Million Debt

FL2701194493 Bridgetown CANA in English 1915 GMT 27 Jan 93

[Text] Kingston, Jamaica, Jan 27, CANA—The Paris Club of Western Creditor Nations has rescheduled U.S.281 million dollars of Jamaica's debt which would have fallen due between last October and September 1995, the prime minister, P.J. Patterson has announced. Patterson's announcement in Parliament Tuesday night came even as the finance minister, Hugh Small and Central Bank governor, Roderick Rainford were still in Paris tidying the rescheduling package.

The rescheduling follows Jamaica's new three-year adjustment programme with the International Monetary Fund (IMF) and was significantly higher than the

U.S.125 million dollars which banking sources had indicated Jamaica was seeking to have relieved.

According to Patterson, the rescheduling covers interest and principal on U.S.141.7 million dollars in concessional debt and U.S.139.5 dollars in non-concessional debt. On the concessional debt, the country has been granted a 10-year grace period, followed by a 10-year repayment period starting September 30, 2004.

In respect of non-concessional debt, there will be a six-year grace period followed by a nine-year repayment period, beginning September 30, 2000.

Teachers Accept 60-Percent Salary Increase

FL2501201193 Bridgetown CANA in English 1940 GMT 25 Jan 93

[Text] Kingston, Jamaica, Jan 25, CANA—Jamaican teachers have accepted a wage offer from the government involving a 60 percent increase in salary in the first year and 30 percent in the second of a two-year contract. The teachers, represented by the Jamaica Teachers Association (JTA), had originally asked for a 100 percent increase in the first year and 50 percent in the second.

The contract, which is retroactive to April last year, will involve the issue of a government bond in lieu of part of the retroactive salary. A government spokesman told CANA details of the bond issue are still being worked out.

The government, through Prime Minister P.J. Patterson and Public Service Minister Dr. Paul Robertson, indicated on the weekend that the offer to teachers would be the best available to any public sector group this year as government was giving education priority attention. Civil servants and air traffic controllers are among a number of public sector groups becoming increasingly restive since the start of the year, because of delays in settling their wage contracts.

St. Lucia

Fishing Agreement Signed With Japan

FL2601195093 Bridgetown CANA in English 1907 GMT 26 Jan 93

[Text] Castries, St. Lucia, Jan 26, CANA—Japan on Tuesday signed a U.S. 5.9 million dollar grant agreement with the St. Lucia government for upgrading the island's fishing industry. The money will be used to build a fishing port and related facilities and buy 18 fiber reinforced plastic fishing boats, fishing gear, and two vehicles under the Dennery Fish Landing-Base Construction Project. Japan provided U.S. 5.2 million dollars for establishing phases one and two of the project in 1988. St. Lucia's Deputy Prime Minister George Mallet and Mitsuru Eguchi, Japan's ambassador signed the agreement.

Trinidad and Tobago

Finance Minister on Retrenchment in Public Utilities

FL2601181093 Bridgetown CANA in English 1722 GMT 26 Jan 93

[By Linda Hutchinson]

[Text] Port of Spain, Trinidad, Jan 26, CANA—Trinidad and Tobago's Finance Minister Wendell Mottley said Monday night that against a background of falling international oil prices, a huge external debt, and a high wage bill, government could no longer postpone retrenchment in certain inefficient public utilities.

Stating that government did not have the money to subsidise the utilities and state enterprises as it did in the past, Mottley said the various boards were instructed to reduce their reliance on the treasury and become more self-sufficient.

In an address to the nation, Mottley said one option which was available to the utilities to cover their deficits was to seek rate increases, but he added this approach would be "unconscionable and oppressive" since the public would be asked to pay higher rates while experiencing a high level of inefficiency.

"Government has therefore directed that the boards adopt a balanced approach, seeking rate increases where justified, parallel with a drive for greater efficiency," Mottley said.

"Inevitably, the painful matter of separation of a significant number of workers will arise. It is an issue that we just cannot postpone further," he added.

Stating that a "number of tough decisions" were before the government, the finance minister said these included the 3 billion dollar (1 TT dollar = U.S.23.5 cents) back pay issue to public sector workers, the finances of the port, the restructuring of the Water And Sewerage Authority (WASA), and the Public Transport Service Corporation (PTSC).

Mottley added: "All must be resolved over the next few weeks."

Mottley said at the port, gross revenue per month amounted to 5.7 million dollars, while wages, salaries, and pension payments per month was 10.2 million dollars. He said the reduced subvention of 37.8 million dollars to the port this year will not last long.

"...And, thereafter, as you saw last Christmas, we would revert to scrambling to take money out of the Ministry of Works allocation for critical areas such as repairs to roads and bridges, dredging and clearing of rivers and drains, and repairs to schools, health centres, et cetera, to meet port wages."

At PTSC, the annual wage bill was 86 million dollars, while revenue was 30 million dollars. At the financially-strapped WASA, annual wages amounted to 157 million dollars, while annual revenue was 134 million dollars. Total losses at the three utilities last year was 342 million dollars, Mottley said.

"Now just imagine what we could do with those kinds of resources; 342 million dollars diverted to improving health centres, buying drugs for the population, all sorts of benefits," Mottley remarked.

"Furthermore, there is the additional problem that in their present form, the utilities, especially WASA, are just not bankable. And WASA needs over 200 million dollars to go into a programme of replacing leaking mains all over the country that could have the effect of doubling the water that arrives at the taps of the population.

"But the expense cannot be incurred because government does not have the money and WASA, in its very anaemic financial state, cannot approach the banks.

"We have no choice; we just have to fix the utilities."

Mottley pledged that government would do all that was practicably necessary to ease the transitional difficulties of those who will be affected by the painful necessities.

On the debt owed to public sector workers, the minister said government was committed to repaying it. He added: "However, the truth is that we are struggling to meet the present commitment of 500 million dollars per annum occasioned by our implementation of the court award and any further commitment during the difficult years of 1993 and 1994 would ruin public sector finances and derail our recovery plan."

Mottley said the government's decision to reinstate Cost of Living Allowance (Cola), an increment based on the increase in the cost of living index that was suspended by the previous administration, and to honour a court-awarded 2 per cent increase in salary for public workers, had pushed up the Wages and Salaries Bill, as a percentage of total government spending, from 27 per cent in 1982 to 32 per cent in 1993.

"Unless we can get the economy to grow, the country's ability to sustain such payments will be in serious question.

"When the seriousness of our debt repayment problem is combined with our over-extended position on wages and salaries, the reality of our economic situation becomes very clear," Mottley said.

Debt repayment and payment of public sector wages and salaries will comprise 63 per cent of government total spending in 1993.

Mottley said financial strategies adopted by two previous governments had mostly led to the accumulation of "a mountain of debt." Domestic debt increased by 62 per cent in the last five years to reach 5.2 billion dollars, while foreign debt was estimated at 5.8 billion dollars. This year, the government has to repay 2.8 billion dollars in foreign debt, Mottley said.

"Rescheduling or refusing to meet our debt obligations are just not viable options," he added.

Foreign Secretariat Rejects U.S. Death Penalty

PA2601185693 Mexico City Canal 13 Television Network in Spanish 1300 GMT 26 Jan 93

[Text] Mexico reiterates its rejection of the death penalty as we consider it inhuman. The Foreign Relations Secretariat will continue to work tirelessly to protect Mexican citizens sentenced to death abroad.

These statements were made on 25 January by Foreign Secretary Fernando Solana Morales with regard to the case of Mexican citizen Ramon Montoya Facundo, who will be executed on 27 January by lethal injection for having killed a U.S. policeman in Dallas, Texas, 10 years ago.

Solana Morales said the Foreign Secretariat has taken all the possible steps, at all possible levels, to help our fellow countryman. He said Mexico respects other countries' laws, and we demand respect for our laws, but this does not mean we will not condemn punitive practices like the death penalty.

He reiterated that Mexico will continue its efforts to defend human rights and will continue to exhaust all diplomatic, legal, and political possibilities.

On 25 January the National Human Rights Commission requested the intervention of Texas Governor Ann Richards to grant a pardon to save the life of Mexican citizen Ramon Montoya Facundo, who has been sentenced to die on 27 January.

San Luis Potosi Governor Teofilo Torres Corso spoke by telephone on 25 January with Governor Ann Richards and requested mercy for his fellow countryman Montoya Facundo. Solana said he does not pretend that Montoya is innocent, but that he should be left alive in jail.

Governor Ann Richards said she would analyze the situation to find out how she can help the Mexican citizen on death row.

Notes Postponement of Montoya Execution

PA2701044493 Mexico City XHTV Television Network in Spanish 0200 GMT 27 Jan 93

[Text] The Mexican Foreign Secretariat issued a communique stating that the U.S. Supreme Court ordered that Mexican Ramon Montoya Facundo's execution be postponed. The Mexican received the death sentence for murdering a policeman 10 years ago. The postponement was granted just a few hours before Montoya was to receive a lethal injection. The decision will allow a review of the legal appeal presented by Montoya's defense attorney with the support of the Mexican Consulate General in Houston.

Bank Reports Inflation, 1992 Consumer Price Index

PA2701144993 Mexico City XHTV Television Network in Spanish 0200 GMT 27 Jan 93

[Report by Eduardo Lugo]

[Text] As you will recall, the accumulated inflation rate in the Mexican Republic was 11.9 percent and the basic family basket increased an average of 8.1 percent in 1992. During the same period, Tijuana, La Paz, and Aguascalientes were the most expensive cities in the country.

On 26 January, the Bank of Mexico reported the following 1992 statistics:

La Paz in Baja California Sur, Tijuana in Baja California, and Aguascalientes in Aguascalientes suffered the highest consumer price index. Those cities registered an 13.6, 13.4, and 12.9 percent increase, respectively. These rates are higher than the national consumer price index average, which was 11.9 percent in 1992. The samplings obtained by the bank indicate that 17 cities surpassed the national consumer price index average. The following are a few examples: Cortazar, Guanajuato, registered 12.9 percent; Leon, Guanajuato, and San Luis Potosi reached 12.8 percent; Avojoa, Sonora, and Veracruz, Veracruz, had 12.6 percent; and Acapulco, Guerrero, and Chihuahua, Chihuahua, registered 12.4 percent.

The cities where the consumer price index increased the least were Merida, Yucatan, with 10.5 percent; Tapachula, Chiapas, with 11 percent; and Monclova, Coahuila; Tlancira, Hidalgo; and Parral, Chihuahua, with 11.1 percent.

Taking it by region, the report shows that the most expensive region was the central northern region with a 12.2 percent consumer price index. The region with the least increase was the southern region with 10.9 percent.

El Salvador

Intelligence Troops Finding FMLN Arms Caches

PA2701150693 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 27 Jan 93

[Text] Military intelligence troops continue to find military weapons caches belonging to the Farabundo Marti National Liberation Front [FMLN], Armed Forces Press Committee [Coprefa] sources have reported.

According to the report, underground caches have been found in the past few days in various points in San Vicente, Chalatenango, and Ahuachapan Departments. Weapons seized include M-16 rifles, 81-mm mortar grenades, and ammunition cartridges and clips.

FMLN sources, however, say the Coprefa report is an attempt to justify the top military officers' assertion that the FMLN is a political party with an armed branch. Coprefa wants to keep the people's collective mouth shut regarding the top officers' refusal to be demobilized, the FMLN said.

SICA Annual Budget Not To Exceed Six Figures

PA2701165393 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 27 Jan 93

[Text] The annual budget of the Central American Integration System [SICA] will not exceed six figures, Nicaraguan Deputy Foreign Minister Jose Bernard Pallais has said. The regional institution will determine the amount of its budget.

Salvadoran Deputy Foreign Minister Ricardo Valdivieso said that during a meeting with the other area deputy foreign ministers and with Honduran Foreign Minister Mario Carias a consensus was reached on the budget ceiling. Valdivieso said the budget amount will be defended in a technical meeting to be held in San Salvador. Valdivieso, who declined to give firm figures, said the SICA member states will make quarterly contributions to the organization's annual budget.

At the end of the meeting, Pallais said SICA expenses will not exceed six figures and that an effort has been made to strike a balance among the member countries' limited capabilities to guarantee the system's efficiency and normal operation.

SICA, to be headquartered in San Salvador, will begin operating on 1 February. Its first secretary general will be Roberto Herrera Caceres of Honduras.

SICA was created by the Central American presidents in December 1991, but Panama and Costa Rica have not yet ratified their membership in this mechanism for implementing regional agreements.

Guatemala

Defense Minister: Army Reduction Not Public Issue

PA2701151993 Guatemala City SIGLO VEINTIUNO in Spanish 26 Jan 93 p 3

[Text] The Army reduction issue can only be discussed by the High Command and its commander general because it is an organization recognized within a legal and constitutional framework. It cannot be questioned by an illegal group like the Guatemalan National Revolutionary Unity [URNG].

Defense Minister General Jose Garcia Samayoa made this statement on 25 January, adding: "We are capable of evaluating our own defense plans. This is not a public issue that may be subject to conditions because it is strictly a state security matter."

He added: Available reserves were used during the 1970's and 1980's to counter foreign aggression but were demobilized when the crisis ended. The same happened to the Civilian Self-Defense Committees, although certain exceptions prevail in areas where terrorists are still present.

"The country has internal mechanisms that cannot be changed or subject to conditions by a group or organization like the URNG, which is being given a political opportunity to achieve legal status," he emphasized.

Gen. Samayoa said he believes every issue discussed during the dialogue should obviously continue to be discussed within this framework, but, to quote the president, no one should try to bring up issues now that had not been part of the negotiations for a firm and durable peace.

He said that "this is not a matter of giving in or not. It involves national security issues and strategies that guarantee stability. These should not be publicly discussed or clarified, much less questioned or compared with political concepts of an ideological struggle."

Samayoa said: "Given its concept of a revolutionary and violent struggle, the URNG wants to spread uncertainty and terror among civilians by attacking the country's infrastructure with explosives, including the destruction of utility poles."

The URNG command does not have the ethical or moral authority to talk about peace because it has always endorsed violence, the defense minister said.

The military officer added: Fortunately, the military corps was able to defuse a terrorist explosive device in Ciudad San Cristobal, Mixco, on 24 January. The rebels use such devices to halt the country's development so the military will continue control and surveillance operations to prevent violence.

The minister said: "Father Ricardo Falla is still the terrorist rebels' ideologue, because documents seized in the subversive camps clearly prove his participation in illegal activities."

URNG Rejects Reactions to Counterproposal

PA2801034093 Mexico City NOTIMEX in Spanish 0208 GMT 28 Jan 93

[Text] Mexico City, 27 Jan (NOTIMEX)—The General Command of the Guatemalan guerrillas rejected here on 27 January "the foolish and way-out-of-line threat of war and repression by the president and military spokesmen."

In a communique issued in Mexico City, the Guatemalan National Revolutionary Unity (URNG) announced its stand on the answers given by the Army and President Jorge Serrano Elias to the counterproposal presented on 20 January.

The URNG leadership regretted and described as "revealing" the "immediate statements and reactions" provoked by its counterproposal in which it proposed the dissolution of the voluntary civil defense committees and a purge of the Army, among other things.

On 23 January, Serrano said that "the Army won the war," and he asked the URNG "to clarify its attitude and respect the Queratarо (Mexico) Agreements which refer to the modernization of the Army, but within the current legislation."

In statements to the media, the president invited the guerrillas "to come to Guatemala and fight in the elections with their ideas, and if the people elect them, they should then promote their revolutionary project."

The president said that the modernization of the Armed Forces will reportedly be done "according to the current legislation and the Constitution."

Serrano said that "only the commanding general of the Army and the High Command can determine the size of the Army and impose any disciplinary measures," in answer to the guerrilla demand of reducing by 50 percent the number of its troops.

"President Serrano's attitude and that of the Army High Command and its spokesmen are evidence once again of how terms and principles must prevail in a just negotiation," adds the URNG communique.

The Guatemalan president described as "delaying tactics" the guerrilla proposals because they propose "conditions that had never been brought up."

The URNG reiterated that President Serrano's initiative "is filled with various conditions and seeks to impose unilateral obligations" on the guerrillas.

"The URNG's answer is to negotiate. We demand reciprocity from the government to this effect," says a communique entitled: "For a Just Negotiation."

The URNG General Command urged President Serrano "to sign with no conditions the overall agreement on human rights to be applied and verified immediately and then continue with the process of negotiations."

President Serrano accepted international verification in matters of human right in exchange for the rebels signing a peace agreement.

The president also offered to negotiate for 90 days a peace agreement, and—in the event the deadline expired without achieving the agreement—to order a cease-fire.

He also urged the Guatemalan people "to continue to struggle to participate actively in this process until we attain... bases for a strong and lasting peace."

The delegations of the government and of the URNG have met on 10 occasions since 1991 when the negotiation process began.

Honduras

Armed Forces Commander General Elvir Reelected

PA2801010593 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 27 Jan 93

[Report by Jose Rolando Sarmiento]

[Text] With representatives of the three government branches present, Congress President Rodolfo Irias Navas yesterday swore in Division General Luis Alonso Discua Elvir as the reelected Honduran Armed Forces commander. Gen. Discua Elvir said he will give priority status to police activities during his new term. All of the Armed Forces Higher Council members, members of all of the Honduran Armed Forces military branches and classes, and cadets of military academies attended the ceremony. Congress President Irias Navas said that Gen. Discua Elvir was reelected by the Congress in reaction to a proposal by President Rafael Leonardo Callejas and the military high command.

[Begin Irias Navas recording] The Congress reelected Gen. Discua Elvir commander of the Honduran Armed Forces for the constitutional term starting 27 January 1993 and ending on 26 January 1996. Consequently, he must be sworn in. [end recording]

Immediately thereafter, Gen. Elvir was invited to the main platform to be sworn in.

[Begin recording] [Irias Navas] Gen. Elvir, having been reelected Armed Forces commander by the Congress, will now be sworn in.

[Elvir] I swear to be loyal to the Republic and to respect, obey, and enforce the Constitution and bylaws.

[Irias Navas] You have now been properly sworn in. [end recording]

Elvir was greeted warmly by everyone present including the Congress members. Elvir comments on his plans for the next three years.

[Begin recording] [Elvir] I intend to support President Callejas' programs on environmental protection, drug

trafficking, and police activities. We have supported the police fully in the past three years.

[Sarmiento] He said that although the budget remains unchanged, the Armed Forces have more duties to perform.

[Elvir] The budget has not been changed. A meeting was held today. The objectives mentioned are the ones we have for the next term.

[Sarmiento] All honest Hondurans are concerned over drug trafficking. What will be done to fight and defeat it?

[Elvir] Honduras lies on the northbound route. We must patrol the land, sea, and air routes normally used by drug traffickers.

[Sarmiento] What progress has been made in investigating the attempt on Gen. Regalado Hernandez' children?

[Elvir] We are investigating and hope to be able to report something soon.

[Sarmiento] General, tell us something about the plans and studies for the new Armed Forces' role in modern society to support the country's development?

[Elvir] There are three fundamental aspects [as heard] in addition to the support stipulated by the Constitution. These are to fight drug traffickers, protect the environment, give the police unrestricted support, and support areas such as education, health, and communications. To summarize, full support for the constitutional government.

[Sarmiento] What about the operation of military farms and the training of Armed Forces personnel for this productive field work?

[Elvir] Plans for military farms are well under way. We have an agriculture school, located in Comayagua. Soldiers are studying at the National School of Agriculture in Cancifor. Officers are attending the university. We are going to improve the education of Armed Forces members. With the support of the central government, we will open three secondary schools that can be attended by the civilian population near combat units' headquarters.

[Sarmiento] What can you tell us about the rumored disagreement over your reelection?

[Elvir] You can see that all of my officers, from the cadets up to the generals who have been commanders, are here. I think this is a good beginning.

[Sarmiento] What about the change of command?

[Elvir] The change of command is a ceremony not specified in any Armed Forces regulations.

[Sarmiento] As Discua Elvir said, the presence of all of the military unit commanders, directors of schools, high-ranking and noncommissioned officers, and cadets prove the Honduran Armed Forces unity. We all hope that the Armed Forces will play the role assigned to them by the Constitution and perform any new functions that involve joint action with the state for the benefit of the country. [end recording]

Nicaragua

Chamorro Asks for Removal of Comptroller General

PA2701223793 Mexico City NOTIMEX in Spanish 2148 GMT 27 Jan 93

[Text] Managua, 27 Jan (NOTIMEX)—Nicaraguan President Violeta Chamorro on 27 January asked the National Assembly to remove Comptroller General Guillermo Potoy because she considers his actions are "irregular" and tend "to damage the country's image."

Chamorro stated that Potoy "usurped functions and abused his authority" by announcing on 22 January the removal of Presidency Minister Antonio Lacayo and imposing a fine equivalent to three months of pay.

The comptroller general linked Lacayo to a $1 million embezzlement committed last year by former Deputy Presidency Minister Antonio Ibarra, who is a fugitive from justice.

The president's request was made to the plenum of the National Assembly, which was not attended by the 44 deputies of the National Opposition Union alliance, which is now in the opposition.

Ex-Military Members Block Road, Demand Compensation

PA2801023493 Managua Radio Sandino in Spanish 1830 GMT 27 Jan 93

[Report by Roberto Gonzalez Rocha—live]

[Text] The Northern Highway's turnoff to Unidad de Proposito housing project, located in front of a Texaco gas station, was blocked approximately one hour and 15 minutes ago by 120 former military members. They were notified on 26 January that only 87 of approximately 1,000 members who submitted a request will receive some kind of compensation. They stopped traffic, set up a roadblock, and torched tires, stating that they will remain there and defend their right to receive compensation from the government.

Approximately 15 minutes later, riot police arrived and began to talk with the demonstrators, who eventually agreed to open the lane of the northern highway leading from the airport to Managua. They are still talking and no violence has occurred yet, but a large traffic jam has developed.

* Progress on Sequeira Case Criticized

93CA0050B Managua LA PRENSA in Spanish 14 Dec 92 p 18

[Commentary by Horacio Ruiz]

[Text] The dreadful murder of agribusiness leader Arges Sequeira Mangas is already halfway to being forgotten. Oddly enough, the national police chief himself, Fernando Caldera, mentioned this fact when at a press conference at which nothing was reported. An eager reporter concerned about the lack of news asked him how long it would take before people reached the conclusion that the crime was impossible to solve. The police chief said 45 days. After that, he added, leads disappear. This is standard police procedure in all crimes.

At the same press conference, the most frightened face seemed to belong to the government minister himself, Alfredo Mendieta, who insisted on telling how the band of killers was enjoying lunch at "La Cucharita," apparently a quite popular spot in El Sauce, while they awaited their victim.

Well, ordinarily they would have been waiting for their victim. It is obvious, however, that the killers were waiting for people to recognize them, realize that they had arrived, and be able to identify them. Could this be because they had come from another country, far from Nicaragua, or perhaps because they were sure that even if they were identified, they would not be punished?

These individuals were real showoffs as they got ready to murder Arges Sequeira Mangas. They did not slink through the underbrush or cover their faces with handkerchiefs. The witnesses agree that it was a group of four men, who seemed interested in showing everyone their license to kill.

A few days before, three men had brutally murdered the police chief in charge of patrols, Rogelio Martinez. A search began for three suspects whom nobody knew, who had never been seen, who had hidden in the thickets, and who had covered their faces with handkerchiefs. Within a few hours the police came up with 12 who had confessed. If we use the same arithmetic, Sequeira's four killers should have yielded 16 suspects by this time.

The fact is, however, that there are none. We must therefore assume that, as might be feared in the wake of official statements, the leads have disappeared even though the murderers left an overabundance of them.

This is unless we are quite optimistic and believe the story that BARRICADA published this week, without citing sources, informing the interested parties that "new leads have been developed" and we will soon learn the truth. For the time being, not even the famous red, dual-cab pickup truck (which, to further describe it, has a broken driver's seat and a license plate beginning with MX) has shown up. Yet when the national police chief asserted a few days ago that "we have the best police force in Central America," we thought that it would need only to push a key on a computer to find, in a matter of seconds, the address of the murderers or at least the owners of the pickup truck.

We are not saying that there is a coverup going on, but some odd things have certainly happened. The man who was with Arges, whom he was asking for a job, said first that the killers had struck him with the butt of a revolver and that all he could remember was that Arges was grabbed by the hair and shot in the face. Afterwards, however, he said that they had struck him three times, not once, and that when he came to, he heard the victim in an animated discussion with his killers. In other words, they knew each other. Who prompted the witness to change his original story, which is basic to the investigation, so radically? This is a question that anyone can, of course, answer as he wishes. The story that Sequeira was the victim of a crime of passion has already begun to circulate. Such a story was to be expected from the outset. And then there is the rumor that it was a "drug matter." Both versions make the Sequeira case look like other unsolved murders that have occurred of late in the country.

It bears noting that this type of murder is repugnant to Nicaraguans because it runs counter to their character. Our country has never lent itself to this sort of spectacle, this one being even worse because of the brazenness with which the hit squad showed up, openly defying the law, justice, human life, and the sentiments of the citizenry. In other words, they came to hoist a flag of terror and to intimidate. It is perverse that this murder took place in November, the month of the heroic action at the Carazo Barracks, the only sort of armed political action that Nicaraguans have taken, in contrast to other countries where common crime is disguised in ideological trappings. The police investigation into this case has undoubtedly taken into account by now the remark that a high-level leader of the Sandinist opposition has made three times, to the effect that "death squads are going to appear here soon."

Frankly, this is the worst thing that could happen to Nicaragua after so many years of violence. In any case, though, we should ask whether this leader believes that his prediction has already come true or whether other death squads that he does not know about are involved in the Sequeira case, or whether in the final accounting he mentioned the death squads just in the excitement of the moment, but they really do not exist.

So, we are halfway there, and barring the sudden emergence of new developments or "new leads," which at this point would arouse suspicions rather than strengthen convictions, the Sequeira case is on its way to oblivion.

Who are the killers? Everyone, as Jules Dassin said in one of his finest pictures—those who laid bare their intentions to a population that was going to be terrorized by the murder, those who are now keeping quiet about the case, and those made indifferent by atrocities like this. But the nation cannot live a full life with these bitter wounds.... Only when the real leads are established and there is no fear of identifying, exposing, and trying the guilty parties will peace be totally achieved in Nicaragua.

*** Jarquin's Call for Ortega's Removal Discussed**

*** Family Ties Viewed**

93CA0051A Managua EL NUEVO DIARIO in Spanish 18 Dec 92 p 4

[Commentary by William Roiz Murillo]

[Text] A Sandinist leader's demand that General Humberto Ortega resign is an issue for discussion within the party; there is nothing odd about it. What is worrisome and odd is that Dr. Edmundo Jarquin, the son-in-law of President Chamorro, voiced the demand publicly from the United States, at a time when the far right is waging a campaign to this same end, and when ultraconservative U.S. legislators have also issued such a demand.

Edmundo Jarquin's remark that General Ortega's resignation from the EPS [Sandinist People's Army] is the only way to lessen the political polarization that today poses a grave threat to Nicaragua is very symptomatic, because in his statements in the capital of the American empire, Jarquin neither analyzes nor criticizes the position of the right-wing extremists with their revanchist desire to eliminate the Sandinists as political players. He does not mention the political persecution by officials of his mother-in-law's government. He does, however, add fuel to the fire of polarization.

Jarquin has been regarded within Sandinism as a thoughtful man of great intellectual capacity who comes from the moderate faction; this makes his statements that much more serious, because they are well thought out, not accidental.

What is worrisome about Jarquin's statements is that he is not just another FSLN [Sandinist National Liberation Front] activist but a son-in-law of the president, and all indications are that the family's interests are winning out over political interests. The Chamorro-Lacayo-Jarquin clan is seemingly bolstering the aims of the far right by pushing for the political persecution of General Humberto Ortega because of his Sandinist ideology.

It is not General Ortega's continued presence in the Army that has unemployment at more than 60 percent of the Nicaraguan population. It is not General Ortega's continued presence in the Army that has wages frozen for blue-collar workers, peasant farmers, office workers, and professionals. It is not General Ortega's continued presence in the Army that has caused former Contras and demobilized personnel of the EPS and Government Ministry to protest the government's failure to comply. Rather, it is the policies of the Chamorro government itself.

We all know that General Ortega is not the only Sandinist in the Army. But we also know that the other officers, noncommissioned officers, and troops who are Sandinists in the Armed Forces have been performing with professionalism and with respect and loyalty to the Chamorro government. The Chamorro government has accepted the political Constitution, the armed services, and the police ever since the election campaign that carried it to victory.

No Accident

It is no accident that Edmundo Jarquin came out with the statements published by LA PRENSA S.A., statements that voice an anti-Sandinist offensive, at the same time that the official newspaper of the Chamorro government demanded political and economic stability to achieve a takeoff in 1993.

Jarquin seems to be part of a full-fledged plan by the United States and the Chamorro-Lacayo-Jarquin clan to gradually dismantle Sandinism and then undo the accomplishments of the revolution, accomplishments that have benefited our country's humblest, poorest people.

His remark that the disagreement between those who support General Ortega's remaining in the Army and those who do not accept him and want him to leave must be subordinated to the democratic process is absurd. This is not our country's real problem.

The real problem is that the conservative forces tied to Washington want to do away with any true vestige of change that the revolution began to introduce with the triumph on 19 July 1979. This is change that has deepened over the ensuing years but is now threatened by the mistakes and opportunistic moves of some who have passed themselves off as revolutionaries without really being any such thing.

These forces are now in contact with the government under the pretext of reconciliation and are trying from a position of power to restore Somozist capitalism and bury the Sandinist worker-peasant movement, which defends the right to work, the right to education and health care, the right to own land and make it produce, the right to suitable financing, and the right to legalization of properties received by the revolution under laws 85, 86, and 88.

This is our country's real problem: the struggle of the Right to dismantle all revolutionary accomplishments, to eliminate the Army, to eliminate the police, and to build on their ashes the repressive armed apparatus that will use bullets to defend the interests of the bourgeoisie and the United States.

It is significant that on the same day that LA PRENSA S.A. published Edmundo Jarquin's remarks, the minister of government met with the charge d'affaires at the U.S. Embassy in Managua. In exchange for a few dollars more in 1993, the minister promised to continue making changes in the police, restructuring the Government Ministry, and carrying forward the investigation into the murder of producer and politician Arges Sequeira Mangas. Minister Mendieta thanked the United States for its cooperation, reminiscent of the finest days of the conservative governments that sponsored the U.S. intervention against our country, an intervention against which the General of Free Men, Cesar Augusto Sandino, rose up.

In summary, Edmundo Jarquin's statements are very suspicious, echoing as they do the campaign of right-wing extremists. The statements were very well thought out, which must have greatly pleased the Godoys, Aleman, Helms, Debora de Moss, the Civil Movement, etc.... This is our viewpoint.

*** Source Questioned**

93CA0051B Managua LA PRENSA in Spanish 17 Dec 92 p 14

[Commentary by Edwin Yllescas Salinas]

[Text] Edmundo Jarquin, attorney and economist, a talented man with aristocratic manners (a sort of modern-day, "bold and cosmopolitan" Fernando Zelaya Rojas), a major figure in Sandinism past and present, former minister of external cooperation, former ambassador to Mexico and Spain, former member of the Executive Board of the National Assembly, and above all a man with political ties to the governing family, has sent us from Washington, as a Christmas present, his opinion that General Humberto Ortega "should not remain as head of the Army."

And note well that what he sent us for Christmas, although he thought about it for weeks in advance, is not just a turkey to be cooked at home. It came dressed; it is almost "frozen food." It has all the fixings and several gravies. The first fixing is that his opinion is shared by other Sandinist leaders, "even though they have never said so in public for fear of a serious rift in the party." The second fixing: "There are other Sandinists who also feel that the person of General Ortega must not be confused with the Institution," just as it reads, Institution with a capital "I."

Then come the gravies—two or three at least. And all are equally spicy or mild. "I thought it proper (this is one of the mild ones) for him to remain in command after the elections and during the transition, and I supported this. But owing to how the transition itself, which General Ortega has aided outstandingly, has evolved, the time has come for him to leave."

Then comes the spicy gravy—a lot of pepper, chile, and mustard. "In the immediate, short term I see no way that the political polarization can diminish as long as General Ortega, who in the view of a major part of the population places a political mark on the military, remains as its chief."

Finally, the turkey brings its own dessert. "And as long as this political polarization continues, it will be impossible to again consider solutions to economic problems, which are the population's major concern." The fixings and gravies of the Christmas turkey are well chosen and delicious.

But what is behind all this?

As we attempt to answer and approximate an answer to this question, it seems prudent to call some more or less recent developments to mind. First, it is significant that the awarding of the medal, and the subsequent trips by senior EPS [Sandinist People's Army] officers to the United States, which were designed, if not to establish institutional relations, at least to relieve tensions, did not work as expected. The degree of inertia involved in this move had not been foreseen, even if it was timely at that point.

Second (I am doing this just to give my train of thought a numerical order, which does not necessarily mean an order of importance), General Ortega's public statements in the president's absence (an absence that was not of course the main thing) seemed, along with other gestures by the opposition, to have gone almost unnoticed, especially after a major portion of the aid being withheld was recently released. However, these statements and gestures have now begun, amid the shadows, to take on a shape that we are not yet sure of, but whose scent is wafting through the air.

What was obtained in exchange for what, and from whom? What person or persons developed the recipe? Who estimated the time and manner of preparation? Who sacrificed whom? Or is the basis (excipient, pharmacists say) of the operation self-sacrifice and the opportunity to depart with a degree of decorum?

Third, the apparently naive statement by a senior U.S. official that the release of funds was linked not to changes in the EPS but to a subordination of the military to civilian authority, is now beginning to cast its own shadow, to draw the discreet profile of a Democratic arabesque that was ill-timed but that will indeed have the impact typical of every miscalculation. U.S. foreign policy toward Nicaragua has shifted as of this December. This along with the incoming administration makes a new approach possible, and combined with the conflicts between the legislative and executive branches, represent the fourth and last part of this commentary, as we enter the imprecise world of answers and the easy game of underlying questions and speculations.

Are Dr. Jarquin's statements, with which of course "more than a large part of the population," both Sandinist and non-Sandinist agree, his alone? Or are they a combination of good advice and his own thoughts? Or is this simply blunt advice that the next U.S. administration is conveying to the Government of Nicaragua through the most appropriate Hermes, or at least a Hermes whom the Democrats see as a fellow who can convey and properly explain the thinking of an administration that wants this country to move forward, in the way that it feels the Nicaraguan people want to move forward as expressed in Nicaragua's most recent election.

The speculations and questions are endless. But there is some truth to each of the few that have been advanced. The one that I will describe here in broad strokes was put forth to an insightful analyst of national politics at his request. I can still recall the lengthy discussion.

What is the message, assuming that it was a message, not the start of something already agreed upon?

The following is one possibility. In the 1980's Nicaragua, sponsored by the Soviet Union, came into harsh confrontation with two U.S. administrations (Reagan and

Bush). After Reagan's second term, Bush, even with a new government in Nicaragua, was unable to develop a satisfactory solution for the United States and Nicaragua that would give the latter a peaceful, multiparty political coexistence without the FSLN team entrenching itself to the point of symbiosis in the fledgling democracy. And this, the new officials presumably felt, could not continue under the new Democratic administration.

The other possible message, almost a corollary of the previous one, is as follows. The Democrats who will be taking power in the United States of America have huge domestic problems. They promised to solve them and will try to do so, so that Mr. Clinton can remain in the White House for at least two terms. He stayed on for 12 years in Arkansas. To this end, they have to economize on spending and taxes. Consequently, they are not going to give further aid (just a few crumbs) to a government that is not making all of the required efforts or just a few small, though important efforts among the huge number needed to solve its own internal problems. So, if we want aid as of February 1993, we will have to find a way to get rid of General Ortega. Otherwise, Nicaragua will have to learn to fly on its own wings and to eat off its own budget, plus the peanuts that it may get somewhere.

This could be a repeat of a message that never got to its audience. It would also explain the switch in the Hermes.

One would also think that the team running the Nicaraguan Government itself, along with General Ortega, has come to this inevitable conclusion, with at least two variations that now is not the time to discuss. The conclusion is this: Either General Ortega goes or the country's economy drowns, "since it will be impossible to again consider solutions to economic problems, which are the population's major concern."

Is this a solution that has been cooked up in Nicaragua and, for credibility purposes, put in the mouth of a man who resides in Washington and who, above and beyond his ideological ties and political affinities, is telling his party's Army commander that "the time for him to leave has come"?

Is such a thing possible in Nicaragua?

Domestic developments themselves will have the last word, perhaps before the end of the year or not far into 1993. The fact is, though, that if poverty worsens from this point on, it will be blamed on General Ortega, as someone from his own ranks has cautioned him.

There are two other points to be made, and they may help suggest what the responses and digressions will be. We all know that this country, whose exports total $220 million and whose imports are slightly over $1.1 billion, is living (breathing) off loans from the international financial system and has made external cooperation its main industry. Thus, it cannot even afford to decide its own foreign policy as it affects domestic issues, which have an appreciable impact on its economy's access to the major sources of U.S. money. It is precisely these two reasons that, as Jarquin himself said, lend an air of inevitability to the opinion that he sent in around Christmas. To put it bluntly: there will be a chronicle of a retirement forecoming. There will be a new commander in the EPS.

Among the digressions, it could be that Dona Violeta's remark will come to make sense this January: "Ortega will leave when I say so."

* Unity Needed for Crisis Resolution

93CA0050A Managua BARRICADA in Spanish 17 Dec 92 p 11

[Commentary by Monica Zalaqueti]

[Text] LA PRENSA reports that Antonio Lacayo has returned from Washington, where he demanded more aid. At the same time, it quotes the remarks made by Alfredo Cesar announcing that he would be leaving for Europe to avoid showing support for the Executive Branch.

I cannot see any light at the end of the tunnel, a foreign friend of mine commented to me yesterday. Perhaps a faint light, I told her, now that the United States has released the first installment. We then thought about Nicaragua's poverty, its endemic poverty accompanied by an endemic posture of demanding.

Nicaragua certainly deserves a great deal of "assistance" from the United States, not only because powerful nations have a commitment to poor ones, but also because this powerful nation forced us to put up with an intervention that was too heavy for the weak shoulders that had to bear it. But since it is useless to expect justice (the verdict from The Hague bears remembering), it has become imperative for us to assume our responsibilities as a nation and to find our own ways of fighting.

On Friday afternoon, when I stopped my car at the Metrocentro traffic light, I was able to see the face of Nicaragua through my windshield. I briefly saw its tragedy in the face of the little girl who dashed out to wipe off the glass, as if she were trying to open my eyes as she desperately hurried to beat the stoplight and through the glass reach my stony heart. It was the face of our squalor, of pain, anguish, and humiliation turned into boredom. I gave her the obligatory peso, but at the next light more little arms rained down on my windshield.

These children have invented another life among the stoplights. They do not need to sniff glue when they can get high from exhaust fumes. They live off the "bolis" and pieces of bread that emerge mercifully from car windows. And when a vehicle runs them over, they display the stumps of their limbs or the tubing placed in their bladders so that they might profit from their mutilation.

A Commitment to the Poor

One can see them competing with a jungle of monkeys, parrots, and squirrels for drivers' attention. They run in desperation, jump, and dart about in imitation of these

animals, and then they wait anxiously for the hand that eventually emerges from a window to pet a rodent indifferently.

We cannot allow this endless pain. We cannot once again succumb to political ambition and forget human beings. The country requires urgent commitments to its poorest, most downtrodden people. The war and the policies of economic austerity have caused deep wounds that demand an elementary sense of solidarity.

It is not charity that Nicaragua needs from other nations, nor is it charity that our destitute children are demanding from the well-to-do. From those who have intervened Nicaragua requires a commitment to build rather than to tear down. It requires support from other nations, but in exchange it must offer the mature attitude of a society whose political forces can unite to move it forward.

These children have elementary rights that we must respect. Not only through the efforts of orphanages but also through the economic efforts of a government and a people who are determined to build a future for them. The suffering that Nicaragua has undergone demands that we join forces and put egoism aside. And those who insist on mortgaging the homeland for their own personal interests must be isolated and left without a voice. The only thing that can truly move our nation forward is unity, not charity.

Panama

Government Discloses Official Trade Figures

PA2701215693 Panama City EL PANAMA AMERICA in Spanish 27 Jan 93 p 11A

[Report by Jose Hilario Gomez]

[Text] The Comptroller General's Office disclosed that the Panamanian economy recorded "a 5.8-million-balboa surplus in its balance of payment current account as a result of a 935-million-balboa positive balance in its services transactions."

The official report is entitled "Commentaries on the Official Panama GNP and Balance of Payment Current Account Figures: 1992."

The Comptroller General's Office report reveals that in contrast, Panama obtained "a 929-million-balboa deficit in its trade balance which is expected to continue to increase as a result of the rapid rise in imports coming to Panama as well as the Colon Free Zone. Imports to Panama and the Colon Free Zone increased by 18.3 percent."

Historically, Panama has recorded a significant deficit in its trade balance. During 1990, imports amounted to 1.4891 billion balboas while exports totaled 321.9 million balboas.

In 1990, the Colon Free Zone imported goods amounting to 2.6766 billion balboas, and reexported 3.0863 billion balboas in goods.

According to the Colon Free Zone Department of Statistics and Economic Forecasting, commercial movement surpassed 8 billion balboas. On the other hand, reexports surpassed 4 billion balboas.

In 1992, imports to the Colon Free Zone increased by 16.9 percent (9 billion balboas). The official report points out that this increase in imports came about as a "result of economic expansion, an increase in domestic consumption, as well as the fall in the interest charged on loans."

Total exports during 1991 amounted to 341.8 million balboas, while they increased by 7.5 percent during 1992. The main goods exported where bananas as well as nontraditional goods. Coffee and sugar recorded decreases. Revenues received from the Panama Canal evidenced a similar decrease.

Columnist Reports on Cuban Money Laundering

PA2701231293 Panama City EL PANAMA AMERICA in Spanish 27 Jan 93 p 6a

["Hidden Truths" column by Tomas Cabal: "Cuba is Taking Advantage of the Colon Free Zone to Expedite Money Laundering"]

[Text] Fidel Castro's communist government continues to take advantage of the trade benefits the Colon Free Zone offers to circumvent the U.S. economic embargo and expedite money laundering, reliable sources have stated.

Using the Interior Ministry and the Intelligence General Directorate (DGI) structure, Cuban agents under the direction of Manuel "Barbarroja" Pineiros and financier Robert Vesco have again reestablished the links with Colombian drug traffickers that were created in 1980 by Carlos Lehder.

Documents obtained in the United States and Spain show that the Castro brothers' dictatorial regime is providing logistical support to the Colombian drug cartels, in a desperate attempt to generate the foreign trade necessary to keep afloat the ailing Cuban economy. Concerned over the impact of the new "Torricelli Law," DGI agents are reorganizing new Panamanian front companies to circumvent the U.S. economic embargo.

We have in our hands documents that indicate that the Cuban agents, in collaboration with Panamanian and Spanish businessmen, are trying to hide their new method of operation from the U.S. Southern Command intelligence services. Free Zone sources have named the Vista Trading Corporation owned by businessman Dovi Binder, as well as a group of companies headed by Sammy Cohen and Victor Attia, as participants in this business.

As readers will recall, Panamanian authorities have named Binder as the partner of Argentine businessman Enrique Melamed, who was killed under unexplained

circumstances. Government sources have said the following companies have ties to the Cuban network: Arce Internacional, Invercasa, Joyeria D'Oro, Escony, Royco, Refrinova, and Mizratex.

Documents provided to this reporter indicate Panamanian diplomats accredited in Havana are actively participating in the Castro network that work under the name of "Panama Group." According to reliable sources, this group channels Cuban foreign exchange and millions of dollars through the Banco Financiero Internacional, a Cuban bank represented in Panama by the Banco Bilbao Vizcaya. Ironically, this Spanish bank has been linked to the money laundering by Galician drug traffickers through its branches in Gibraltar and Panama.

The arrest of Juan Ramon Prado Bugallo and two top Banco Bilbao Vizcaya executives has shed light on this dirty business. For that reason, new inquiries by Spanish authorities are expected.

Meanwhile in Panama, Cuban Colonels Cosme Gonzalez, Jose Pena Torres, and Jorge Puente Blanco continue their operations without hindrance from the Panamanian or U.S. authorities.

Using the infrastructure of the CIMEX company and Servinaves, the DGI agents controlled all of the illicit activities of the Cuban network in Panama. Recently, Col. Jorge Puente Blanco, who has dual Panamanian-Cuban citizenship, was seen in Panama's National Bank offices handling commerce documents that are very important for the Castro regime. Taking advantage of CIMEX's move to a new office on the first floor of the Plaza New York, Blanco and his subordinates are trying to hide their transactions from the Free Zone and the Southern Command.

Intelligence sources indicate Blanco's wife was once married to Isidro Malmierca, former Cuban foreign minister. U.S. intelligence services regard Blanco as a dangerous man, since he served as a military adviser to the Sandinist regime and maintains close ties to the top Colombian mafia bosses.

Business Views Central American Integration

PA2801044593 Panama City EL PANAMA AMERICA in Spanish 27 Jan 93 p 8C

[By Arnulfo Barroso Watson]

[Text] Business groups continue to believe that Panama's economic integration with Central America would bring about the "division of the country and the loss of foreign currency," while the government argues that Panamanians cannot always live in isolation and integration must not only be seen from an economic standpoint but also from cultural and political standpoints.

Speaking on behalf of other business groups, Dario Selles, president of the Association of Panamanian Industrialists (SIP), stated that Panama's economic integration with Central America would bring about division and problems, in addition to the transfer of our wealth to Central Americans. Instead of an integration with Central America, Selles recommended the signing of a bilateral free trade agreement with the United States.

Meanwhile, Foreign Relations Minister Julio Linares said that it is unreasonable to think that Panama can live isolated from other blocs. In addition, he promised businessmen and industrialists that the government will not take a step toward integration without consulting them first. Linares voiced skepticism over possible commercial preferential treatment from the United States toward Panama.

Both Selles and Linares spoke during the first 1993 industrial luncheon sponsored by the SIP, which was held on 26 January with the participation of business and industry representatives.

Many Claim Ownership of Lands in Reverted Areas

PA2701220793 Panama City EL PANAMA AMERICA in Spanish 27 Jan 93 p 3-A

[Report by Carlos Vargas]

[Text] Almost 700 Panamanians have issued powers of attorney to a local law firm to lay claim in the courts to the ownership of lands located in the reverted areas, which they allegedly inherited from relatives in the 19th century when construction of the canal began.

Attorney Raul Roger confirmed that almost 700 Panamanians are seeking legal assistance to claim ownership of thousands of hectares of land located in the reverted areas which, allegedly, were bequeathed to them by relatives in the 19th century.

According to the attorney, these individuals started claiming their properties after a group of U.S. lawyers published a historical investigation on the legitimate owners of lands in the vicinity of the canal during the 19th century.

According to Roger, the individuals who are claiming ownership of the reverted lands are requesting that their properties be returned so the Interoceanic Region Authority [ARI] that is about to be created will not include these lands in their legislation.

Once the ARI law is approved, the government can sell state-owned lands but must return the lands that were bequeathed to their legitimate owners, Roger said.

The alleged owners of reverted lands started making their claims when the Legislative Assembly discussed the approval of a law to create a government agency to administer the properties that are to be reverted to Panama in accordance with the canal treaties.

The reverted lands amount to approximately 4,000 buildings and almost 84,000 hectares of land valued at more than $40 billion.

IRHE Sequesters Soloy Hotel To Recover Debt

PA2801010493 Panama City EL PANAMA AMERICA in Spanish 27 Jan 93 p A1

[Report by Juan M. Diaz]

[Text] The Institute of Hydraulic Resources and Electrification (IRHE) has sequestered the personal properties and administration of the Soloy Hotel owned by Spanish brothers Celso Luis and Manuel Celestino Fernandez Espina, who are under investigation for allegedly laundering money, according to an IRHE source.

The source pointed out that the hotel located on Peru Avenue was sequestered for the purpose of collecting the hotel's debt to the IRHE which is more than 500,000 balboas.

The hotel, which was sold to the Fernandez Espina brothers during the eighties by a Panamanian businessman whose surname is Valdes, has been in debt to the IRHE for several years.

The Office of the Special Prosecutor for Drugs in Spain [Fiscalia Especial Anti Drogas de Espana] is currently investigating the brothers who allegedly laundered over $11 million through companies and banks in Panama and Madrid. The sequestration may prevent the Spanish authorities from gaining access to the hotel.

The IRHE initiated this action in order to recover the money owed by homeowners as well as state institutions, which includes the implementation of legal action.

Up until 1992, homeowners had a debt of approximately 64.1 million balboas, in response to which the IRHE increased its debt recovery efforts which included cutting off their power.

According to an IRHE report, the highest levels of debt are recorded in Panama Metro with 21.9 million balboas, Panama East with 29.2 million, and Colon with 5.5 million.

Relatives of U.S. Soldiers Seek Local Trial

PA2701123693 Panama City Circuito RPC Television in Spanish 2300 GMT 26 Jan 93

[Text] Relatives of two Panamanians who are to be tried by a U.S. Army military court have demanded compliance with the Torrijos-Carter Treaties to have the cases tried by a Panamanian court. Donald Walters is a member of the U.S. Army stationed in Panama. His parents are Panamanian, and he has not lost his Panamanian citizenship. He is under arrest on drug conspiracy and criminal activity charges. Roberto Perry is also a Panamanian and a U.S. Army soldier, stationed in Panama. He was arrested trying to take four kg of cocaine off Howard Air Force Base. The two men will be tried by a U.S. military court in Panama.

The issue has raised attention because this would violate the provisions of the Panama Canal Treaty implementation agreements, as these crimes fall under Panamanian jurisdiction. Erica de Walters, the mother of four children and the wife of Donald Walters, is worried.

[Begin Walters recording] This is for my children; they need their father. We have been at this for quite a while. Because he is a Panamanian, I want him to be tried in Panama. [end recording]

Roberto Perry's mother is also worried and will ask the Foreign Ministry to take the necessary steps to have her son tried in Panama.

[Begin Perry recording] He is a Panamanian and according to the treaty I understand he can be turned over. I am asking the president of Panama to help us, to intercede. [end recording]

The Foreign Ministry has begun the proceedings to try and clear up the matter, through the Executive Directorate for Treaty Matters, and allow these U.S. soldiers—who are Panamanians—to be tried in Panama.

U.S. Soldier Shot During Holdup at Restaurant

PA2701173993 Panama City CRITICA LIBRE in Spanish 27 Jan 93 pp 1, 36

[Report by Jose Otero]

[Text] A Southern Command soldier was shot twice when criminals attempted to assault him and steal his car on the evening of 26 January as he ate at an open air restaurant across from the Atlapa Convention Center.

The wounded soldier is Adrian Hernandez, 22, a Puerto Rican stationed at Howard Air Force Base.

Hernandez, dressed in civilian clothes, was eating at approximately 2330 at the "Don Sammy" restaurant when two individuals suddenly approached him and demanded his car keys.

Hernandez tried to resist his assailants, which prompted one of them to shoot him in the right leg. Despite this wound, the soldier insisted on scuffling with his aggressors and was again shot, this time in the left leg.

Officials Report Bridge of Americas Bomb Hoax

PA2701191393 Panama City LA ESTRELLA DE PANAMA in Spanish 27 Jan 93 p a1

[Text] Official sources confirmed that the 26 January report of a bomb under the Bridge of the Americas turned out to be just an empty burlap sack.

The bomb report caused a certain amount of disquiet and panic among the hundreds of residents who had to travel to Arraijan and Chorrera.

Certain media had called on the people not to travel to Panama City to prevent a traffic jam.

Argentina

Federal Intervenor in Corrientes Province Named

PY2701220193 Buenos Aires TELAM in Spanish 2243 GMT 26 Jan 93

[Excerpts] Buenos Aires, 26 January (TELAM)—In a surprising decision aimed at finding a definitive political solution to the lengthy institutional crisis in Corrientes Province, the government today nominated Ideler Tonelli, a former minister under the Radical Civic Union [UCR] administration, as the new federal intervenor. Tonelli will be charged with calling direct elections for governors in September as soon as the provincial Constitution is amended.

Tonelli, the last labor minister under [former President] Raul Alfonsin's administration, accepted President Menem's offer at noon today. The proposal was conveyed to Tonelli by Senator Eduardo Menem during a meeting in Pinamar, following a previous agreement with Jose Antonio Romero Feris, leader of the Autonomist and Liberal Pact of Corrientes, PAL [passage omitted].

Announcing the nomination, Interior Minister Gustavo Beliz said that Tonelli, who will replace Claudia Belloc, "will have full autonomy to appoint his collaborators."

It is expected that this decision by the central government will cause an immediate political distension in Corrientes and a possible "approach" between local Peronists and UCR followers, as Belloc already stated this afternoon. [passage omitted]

Bolivia

General Strike in La Paz 'Total Success'

PY2701200193 La Paz Radio Fides Network in Spanish 1100 GMT 27 Jan 93

[Excerpts] Yesterday's 24-hour strike in La Paz demanding a regional budget adjustment and rejecting the proposal to change the VAT [value added tax] on hydrocarbons was a total success, particularly because of the disciplined participation of private and public companies, workers, and politicians who respected La Paz residents' demands. [passage omitted]

Yesterday's strike had several outstanding characteristics that helped its success. Early in the morning many people carrying La Paz flags blockaded roads to prevent the passage of vehicles taking people to work in violation of civic committee resolutions. Shops, markets, supermarkets, and offices respected the protest strike. Bank workers who came to work as usual were notified that banks would close their doors to the public. [passage omitted]

Gradually all vehicles that circulated in the city as late as 0900 disappeared from the streets and the city became completely paralyzed. Workers participated in several important rallies such as the one held at San Francisco Square. Thousands of people who gathered at that historic site sang La Paz' anthem and then heard a speech by (Alfredo Klein Cohacaya), president of the La Paz civic committee. (Klein) stressed that La Paz is, and has always been, the melting pot of national interests since the times of Pedro Domingo Murillo's [Bolivian hero, executed in 1809] epic struggle. The battle has started and we must get ready, (Klein) said.

(Franco Huachalla) spoke from the balcony of the Factory Workers Federation. He told thousands of people that Bolivian Government Oil Deposits must benefit all Bolivians and not only some groups of opportunists who want to use the company to benefit only certain regions. [passage omitted]

The workers' leader stressed that La Paz is willing to discuss a new distribution of VAT revenue, but without manipulations and within the framework of the decentralization law. Meanwhile, we will not accept any changes, the pro-La Paz civic committee president said. [passage omitted]

Senate President Guillermo Fortun, a La Paz resident, criticized the untimely proposal to amend Tax Law No. 843. La Paz and all other regions must calm down to discuss this problem and the distribution of the regional budget, Fortun added. [passage omitted]

Finally, at around 2100 yesterday, it was reported that the revenue from the VAT on hydrocarbons will remain in effect in La Paz, and this and all other amendments to the tax system will be dealt with only after 6 August. The decision was announced after long negotiations between La Paz legislators and civic committee members and the Chamber of Deputies' economic committee.

Air Transportation Agreement Signed With Mexico

PY2801131593 La Paz Television Nacional Network in Spanish 0000 GMT 28 Jan 93

[Excerpt] During a ceremony held at the Foreign Ministry building, Bolivia and Mexico signed a bilateral agreement on air transportation. This agreement is within the framework of the agreements signed by Bolivian President Jaime Paz Zamora and Mexican President Carlos Salinas de Gortari in February 1992. This agreement authorizes regular passenger and cargo plane flights between Bolivia and Mexico. [passage omitted]

Brazil

Franco Cancels 16 February Economic Meeting

PY2801004693 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 27 Jan 93

[Report by Antonia Marcia Vale from Planalto Palace]

[Text] President Itamar Franco has decided to cancel the meeting with the economic team that was scheduled for

16 February. He made this decision this morning after some newspapers began to talk about an economic package that allegedly would be analyzed during the meeting and reported on after the Carnival celebrations. Presidency press secretary Francisco Baker reported the news to journalists accredited to Planalto Palace. Baker emphasized that the news reported by the newspapers was lies and mere speculation. President Franco wondered who would benefit from speculations on an economic plan because those speculations are harmful, hinder the normal course of economic activities, and cause unrest among the people. According to Franco, only speculators themselves benefit from these rumors. By canceling the meeting, President Franco hopes to calm the people and the financial markets.

Baker asserted that President Franco discounts the possibility of an economic plan because every time such plans are mentioned, the people associate them with economic packages and price freezes. According to Baker, there will be no economic packages or price freezes in this administration.

Francisco Baker added that government evaluation meetings will continue being implemented during the routine meetings the president holds with the ministers.

Discusses Privatization, Separatists

PY2801132393 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 27 Jan 93

[Excerpts] In an impromptu speech delivered today during a meeting held with Brazilian university rectors at Government House in Brasilia, President Itamar Franco stated categorically that the government is not drafting any economic package. Franco described as irresponsible newspaper reports to this effect. Furthermore, he took advantage of the occasion to defend the new government criteria on privatizations.

[Begin recording] [passage omitted] [Reporter Luiz Braga] Speaking about speculation, he denied that the government is drafting an economic package.

[Itamar Franco] In view of the fact that an important national newspaper has claimed in one of its headlines that the president is drafting a so-called Carnival economic package, the finance minister was compelled to intervene in the financial markets to thwart speculators from once again receiving profits.

[Braga] Regarding the sale of state companies, Franco explained how the money that will be obtained from the newly privatized companies will be spent.

[Franco] We intend to sell state companies in keeping with current world practices. The cash, not the privatization certificates, obtained from those companies that can be privatized will be allocated to promoting the development of science and technlogy, education, security, and health.

[Braga] He condemned the separatist movement. The president criticized the separatist movement promoting the independence of some states.

[Franco] We are aware of the unfortunate and unpatriotic existence in our country of a separatist movement. Once again I draw the attention of university rectors to the need to make young students aware that ours must be a united and indivisible nation, that this nation has a future if it has an honest and clean government [applause] like the one we hope to achieve. [end recording]

President Itamar Franco also criticized financial sectors. He said that in no other country does the financial system enjoy so many privileges.

Chamber Rejects Ports Bill Amendment, Passes Agrarian Bill

PY2801143993 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 28 Jan 93

[Text] The Chamber of Deputies is scheduled to vote on the fiscal adjustment bill this afternoon. The project creates a provisional tax on financial deals. Government Leader Deputy Roberto Freire thinks that the text of the bill approved last week will be maintained. PMDB [Brazilian Democratic Movement Party] leader Deputy Genebaldo Correa said his party could vote against the mechanism that allocates income tax funds retained by managers exclusively to the federal government.

The agrarian reform bill was approved with 10 of the 22 amendments proposed by the Senate. An agreement between political leaders without the participation of the Workers Party made the approval possible. The project must still be promulgated by President Itamar Franco before it enters into effect. The distribution of rural lands will be made through usage concessions that will not be negotiable for 10 years.

Last night the Chamber of Deputies rejected the Senate amendment to the ports modernization bill which eliminated the balance between employees and managers in the administration of port labor. The decision provoked a tide of protest in the galleries and public areas, which were filled with dock workers. The shouting forced the president to suspend the session.

Dock workers reacted vehemently and almost violently against the Chamber of Deputies decision rejecting Senate amendments to the ports privatization bill. The main article determined the equal participation of entrepreneurs and workers in the future body administrating ports labor. Besides rejecting the amendment ending the monopoly of the union in hiring laborers, the Chamber of Deputies created an administration council where entrepreneurs have two-thirds representation and laborers one-third. Workers are thus left without any decisionmaking power in ports work.

The result of the vote, after many hours of discussions, was 235 votes against the Senate amendment, 190 votes

for it, and 6 abstentions. Representatives witnessed the workers' protest without doing anything. One of the few benefits the project grants workers is the right to a collective contract, which must be signed within 90 days.

Police Arrest UK Citizen, Seize Handguns

PY2701214693 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 26 Jan 93

[Report by Ilze Scamparin]

[Text] Federal Police have seized 20 American and Israeli handguns worth 160 million cruzeiros at the Rio de Janeiro International Airport. The guns were found in the suitcase of a British subject, David Johnson-Wright, 53, who was taken into custody at the airport. He had the right to remain silent and did so. Only in court will he explain who he is and why he was carrying 20 guns in his suitcase when he was arrested.

Even though the seized weapons are not state-of-the-art guns, they were sophisticated enough to spring quite a surprise on the police, who had never seen these types of weapons before, not only because they are sophisticated but also because Brazilian police use old-fashioned weapons. The guns in question are very powerful, some can even penetrate a bulletproof vest.

Police officer Antonio Maior reported that Johnson-Wright had departed from Miami, Florida, and was bound for Johannesburg, South Africa. He missed his connection in Rio de Janeiro due to technical problems on his flight.

What the police are interested in learning is what Johnson-Wright did during his two-day stay in Brazil while he awaited the departure of his flight, and why he did not declare to Federal Revenue that he was carrying American and Israeli pistols in his suitcase.

Protest Filed With Portugal Over Tourists' Treatment

PY2801020993 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 27 Jan 93

[Report by Antonia Marcia Vale]

[Excerpts] Through Portuguese Ambassador to Brasilia Leonardo Matias, the Brazilian Government has sent the Portuguese Government a document formally protesting the repatriation of 11 Brazilians, whose entry into Portugal was barred.

Acting Foreign Minister Ambassador Luis Felipe Lampreia handed President Itamar Franco an Itamaraty report on the incident. In the opinion of Itamaraty, the Brazilian citizens complied with the requirements for admission into Portugal. They had enough money to spend from 10 to 15 days in that country, as they declared at the time of asking permission to visit the country. This is why the Brazilian Government cannot understand why their entrance into Portugal was barred. [passage omitted]

The Brazilian Government is demanding the establishment of institutional mechanisms to prevent other such incidents. Brazil and Portugal have signed an agreement allowing their citizens to freely travel from one country to the other, but in practice Portugal has been disrespecting this agreement. [passage omitted]

Colombia

President Approves Further Fiscal Controls

PA2701131793 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 26 Jan 93

[Report by Diego Hernan Canal]

[Text] Comptroller General Francisco Becerra has been given further authority to exercise fiscal control. On 26 January President Cesar Gaviria signed a new law to allow more active fiscal control. The goal is to provide further mechanisms to fight corruption, a problem that the president believes has increased even more in the country.

[Begin Gaviria recording] I want to tell the Colombian people that we are far from satisfied despite our progress in the struggle against corruption. We will not be satisfied until we fully remove that malignant tumor. [end recording]

Introduces Inmarsat System

PA2701214593 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 27 Jan 93

[Text] On 26 January President Cesar Gaviria introduced the latest technological advance in world telecommunications. The Inmarsat [International Maritime Satellite] TCS [Transportable Communications System] Light [preceding word in english] is a portable piece of equipment—it can be carried in a suitcase—that makes it possible to communicate by telephone, fax, modem, or telex clearly and easily from anywhere in the world.

There is a radio station that will soon start using this communication system, the Inmarsat TCS Light.

Radio Caracol assures that the equipment does work, we would like to inform President Gaviria and our fellow radio station, because we used the Inmarsat TCS Light last year.

The Inmarsat was used by the Radio Caracol reporters who sailed aboard the ship El Navegante Del Viento from Spain to Colombia to commemorate the 500th anniversary of the encounter of two worlds.

While at sea—when atmospheric conditions allowed—they used this portable equipment to communicate with Radio Caracol's studios here in Santa Fe de Bogota through the satellite.

Therefore, we are happy to hear that our colleague radio station and the president also have this latest technological advance, which Caracol has had since 1992.

Santa Fe de Bogota Councilmen Arrested

PA2701131693 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 26 Jan 93

[Report by Miriam Ortiz]

[Text] Good evening, we are here at the Santa Fe de Bogota Council, where members of the Attorney General's Office have cordoned off the area to carry out 26 arrest warrants against councilmen and former councilmen. The Attorney General's Office decided to continue with the process started by Judge Cesar Tulio Lozano against the councilmen, who are charged with embezzlement of funds.

It was learned a few minutes ago that two councilmen, Juan Jose Medina and Fernando Tamayo, have been arrested. The arrest warrants were issued in connection with the embezzlement of at least 1.6 billion pesos from the financial assistance fund.

The Attorney General's Office has revoked the order to release former Mayor Juan Martin Caicedo Ferrer and Marcela de Jaramillo, his former finance secretary. The president of Congress has also requested that the immunity of Senators Ricaurte Losada, Alvaro Pava, and Hernando Echeverry—former Santa Fe de Bogota councilmen—be suspended so they may be arrested.

Private Company Purchases Russian Planes

PA2801043593 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1630 GMT 27 Jan 93

[Report by Marcela Duran]

[Text] Even though it may seem incredible, the Russians, who are leaving communism behind, will reportedly pursue Colombian communist guerrillas with their helicopters and planes.

A private company, a step ahead of the military forces, decided to import some of these planes. The aircraft brought to the country are similar to the ones used for the troop and truck transportation in the Soviet invasion of Afghanistan. The AN-74 is capable of landing on an unpaved runway with a length of only 400 meters. They may be used for the transportation of 32 passengers and, if necessary, they can carry up to a 10-ton payload, such as a pickup truck.

The helicopters have the capacity to carry 26 passengers or a four-ton payload, which means one of these aircraft can carry a (Renault Four). The 5,000-horsepower turbines can reach speeds of up to 250 km per hour. With a special winch, they can be used for rescue operations.

[Begin Helitaxi Company Manager Luis Eduardo Silva recording] We decided to purchase Russian helicopters because they are more economical and more efficient than any other helicopters that we have seen in the country. [end recording]

A group of Colombian pilots were initially sent to the Soviet Union [as heard] to train. Helitaxi also brought several Russian pilots and technicians to train people in our country.

Currently the Defense Ministry is holding talks with the Russian Government to bring these helicopters into the country, which are quite practical in the fight against guerrillas. Sixty percent of the purchase could be paid with coffee.

* Finance Minister on Economic Outlook for 1993

93SM0118A Santa Fe de Bogota EL ESPECTADOR in Spanish 27 Dec 92 p 6A

[Interview with Finance Minister Rudolf Hommes by Efrain Pachon O.; place and date not given; first nine paragraphs are EL ESPECTADOR introduction]

[Text] "Although how long I will remain in this position is not up to me, I believe that I should stay in office long enough to ensure that this program works out well. 1993 will be a crucial year. We will find out whether our economic policy was successful or not.

"Colombia is an incredible country. In the midst of a drought and a costly wave of electricity interruptions it broke through the investment barrier." Minister of Finance Rudolf Hommes thus described the performance of the economy in 1992 and the prospects for 1993.

After denying that he is arrogant, he warned that he is never prepared to act in an irresponsible way just to stay on good terms with anyone.

In his opinion the conditions are ripe for the economy to grow by more than 5 percent and for inflation to fall below 20 percent.

He observed: "If that is accomplished by August of 1993, this government will turn out well."

He commented that the foreign exchange which the Cusiana petroleum project will generate cannot be taken for granted, for the country has too many projects to implement. If extra money is available, it will be possible to continue paying off the foreign debt in advance.

The payment of interest on loans outstanding can be made freely by the end of January or February. By then there will be a great deal of liquidity in the financial system.

Regarding a readjustment in the domestic price of coffee, he said that this will be "difficult to do." Any action taken will probably be announced in April 1993. In an interview with EL ESPECTADOR the minister said that the price of gasoline will have to be raised by more than 25 percent.

[EL ESPECTADOR] What guarantee is there that inflation will fall to 22 percent during 1993?

[Hommes] I am sure that if the weather is normal and another drought does not occur, inflation can be reduced to the proposed level. What is clear is that the tendency for inflation to decline has already begun. There is no doubt of that, and the most important aspect is that we have gained credibility among the various groups active in the economy.

[EL ESPECTADOR] What will be the climate for business in 1993?

[Hommes] In terms of foreign exchange, there will be stability. We have enough international reserves. The growth in imports will be less than it was in 1992, and exports will grow moderately because the international recession will continue. In the agricultural sector we have made corrective changes and have implemented a policy favoring agriculture, although we cannot ignore the fact that there will be problems with the international prices of various export products. If the pace of private investment continues, as well as the surge in building and industrial development, there is no doubt that the economy will grow by 4.5 percent in 1993.

[EL ESPECTADOR] Does not a growth rate of 4.5 percent seem rather mediocre to you?

[Hommes] It is true that a 4.5 percent rate of growth is not much. The ideal would be to grow at a rate of seven or eight percent. What is happening is that there are factors, some of them external to Colombia, which prevent us from reaching those levels quickly.

[EL ESPECTADOR] Is the economy recovering?

[Hommes] It is a curious thing, but in the midst of the cuts in electricity and the drought the investment barrier was broken, and now the different sectors of the economy are showing great dynamism. It seems that uncertainty and reluctance among potential investors are gone.

[EL ESPECTADOR] Did the changes in interest rates on loans stimulate investment?

[Hommes] That is clear. When lower interest rates were available, the demand for loans increased. Previously, it had been practically paralyzed. Consequently, this situation was reflected immediately in greater investment.

[EL ESPECTADOR] How long will controls be exercised over interest rates on loans?

[Hommes] The new law governing the Banco de la Republica [Bank of the Republic] provides that interest rates cannot be frozen for more than 120 days. When the Board of Directors of the Banco de la Republica meets in 1993, it will have to take action on this matter.

[EL ESPECTADOR] What prevented the cancellation of this regulation of interest rates?

[Hommes] In September 1992 an attempt was made at the initiative of several members of the Board of Directors of the bank to free interest rates on loans. However, I convinced them that we should continue the controls to guarantee the growth of credit and investments. The best time to suspend the existing controls on interest rates will be in January or February 1993, because there will be a great deal of liquidity by then.

[EL ESPECTADOR] By what percentage will the price of gasoline and charges for public services be raised?

[Hommes] We will have to be very careful about changes in the prices which the government charges. In the energy sector it will be necessary to increase charges to clear up the financial situation in this sector. That question is being studied by technical experts. I was surprised to see that during recent discussions in the Labor Council the workers were more concerned about other prices in the economy, rather than in the minimum wage.

[EL ESPECTADOR] Do you not think that a 25 percent increase in the minimum wage is rather high?

[Hommes] We are running the risk that this increase will create unemployment. However, it is necessary to raise productivity. As an economist, I think that the minimum wage is at a subsistence level. The fact that the minimum wage exists is an explanation for unemployment. President Gaviria wants the increase to be 25 percent, that is, equal to the rate of inflation experienced by the country in 1992.

[EL ESPECTADOR] Can that 25 percent increase in the minimum wage be used as an excuse in case we cannot achieve a reduction of the inflation rate in 1993 to 22 percent?

[Hommes] I hope that the increase of 25 percent will not be inflationary. That percentage of increase left me satisfied, although we fought until the last moment for a 24 percent increase. If industry does not respond to the greater demand which such a minimum wage increase stimulates, it will be necessary to make use of our international reserves to import articles of consumption.

[EL ESPECTADOR] By what percentage will the price of gasoline be increased? [Hommes] The price of gasoline in Colombia is closely approaching international prices for this fuel, due to the devaluation [of the peso]. The increase in price will be more than the inflation rate expected for 1993.

[EL ESPECTADOR] What do you plan to do with the bonanza of foreign exchange which the Cusiana project will generate?

[Hommes] That cannot be taken for granted. Colombia is a country which needs more highways, ports, tunnels, bridges, and large works of infrastructure which the modernization of the economy requires. No doubt spending the money from the Cusiana project will be a matter for the next government to decide. Our duty is to design projects right now, in such a way that they are available when the money is available. It seems incredible, but there has been talk for the past several decades that a new highway is required between Bogota and Villavicencio. However, no one has ordered a feasibility study to be made.

[EL ESPECTADOR] Would it be possible to continue paying back the external debt in advance with the money from the Cusiana project?

[Hommes] That would be a good alternative, provided that it frees budgetary resources to undertake greater social expenditure. However, I repeat that it will be necessary to complete the construction of many highways which are keys to our economic development.

[EL ESPECTADOR] What was your greatest source of frustration in 1992?

[Hommes] My greatest frustration was that it did not rain. The drought frustrated all of our programs. We hoped that 1992 would be a good year. Surveys of businessmen made during the first quarter of the year indicated that our economy was fully developing. However, then came the electricity cutoffs and the shortages of food. That was a great source of frustration.

[EL ESPECTADOR] Are you an arrogant minister who ignores the views of other cabinet ministers?

[Hommes] I respect the opinions of the others. In the cabinet, for example, I have no problems with any of my colleagues. What happens is that I cannot act in an irresponsible way just to stay on good terms with someone. At the recent meeting of the National Labor Congress I could not support a new wave of inflation to please one sector of society. The worst thing to have done would have been to approve a 22 percent increase in salaries.

[EL ESPECTADOR] When can we expect a new increase in the domestic price of coffee?

[Hommes] We can talk about that in March after we have more statistics available, that is, after what happens at the Coffee Summit Meeting in London, when we expect to sign a new agreement which will probably be quite different from those of the past. We will also have to wait to see what the attitude of the United States Government is on coffee policy.

[EL ESPECTADOR] What corrective action will be taken in 1993 to encourage better performance in the economy?

[Hommes] The best thing about 1993 is that there will not be many changes in economic policy. The uncertainty is over. The demand for loans and investment is growing.

[EL ESPECTADOR] Will there be a further stimulus to imports under the policy of economic openness?

[Hommes] Imports should serve as a safety valve to deal with problems of shortages or a lack of supplies. I would not like to have this country filled with knick-knacks brought in from abroad.

[EL ESPECTADOR] How long will you remain in the cabinet?

[Hommes] That does not depend on me. What is clear is that for the moment I am not leaving the cabinet. I have had the support of President Gaviria and I believe that one should stay on so that this economic program comes along well and turns out properly.

[EL ESPECTADOR] What will be the performance of the Gaviria administration, in economic terms?

[Hommes] If we reach August 1994 with a growth rate of more than 5 percent and inflation under 20 percent, this administration will have a happy record.

[EL ESPECTADOR] How do you see 1993?

[Hommes] It will be a very interesting year. We are going to find out whether we were successful or not with economic policy. In 1992, for example, with the great drought, in the midst of desperate activity by the guerrillas, and with the world recession, the Colombian economy grew by three percent, which leaves me very satisfied. It seems incredible, but here in Colombia nobody thinks about that.

* Business Leaders on 1993 Growth Projections

93SM0118B Santa Fe de Bogota EL ESPECTADOR in Spanish 27 Dec 92 p 6A

[Text] Cesar Gonzalez Munoz, president of the Colombian Banking Association [ASOBANCARIA]: "I say that the recent growth record of the Colombian economy has been mediocre. You should not confuse pessimism with a lack of desire to see better results. Would that this economy would begin on a course of accelerated growth. I repeat that an economic growth rate of 3 percent is insufficient. We need a growth rate of more than 6 percent for at least a decade as a condition for beginning to resolve the great problems of poverty in our country. We cannot be satisfied with a growth rate as low as 3 percent annually. That percentage is more appropriate for mature and perhaps tired economies but not for young economies like ours.

"I am not so optimistic that I would say that we are now definitely embarked on an accelerated process of growth. I still do not see that, nor do I believe, personally, that this is going to be the dominant view held by employers

and the most active groups in our economy. There are still uncertainty, difficulties, and question marks which lead us to take a moderate view of what is going to happen to the Colombian economy in the next few years and especially in 1993, when a growth rate of 5 percent has been predicted. With the data available to me I do not believe that it will be easy to reach that goal. I hope that we are mistaken in this view. This does not mean that I am a prophet of doom and gloom. We must avoid that kind of Manichean view in analyzing things. Those who think that things are not going as well as official spokespersons say cannot be considered to be prophets of disaster."

Julio Roberto Gomez Esguerra, secretary general of the General Confederation of Democratic Workers: "A country which is technologically a half century behind and which has an obsolete industrial structure cannot expect levels of economic growth as high as those which the government is forecasting. The implementation of mistaken policies in different sectors of production has plunged our economy into mediocrity. We are used to a growth rate of 3 percent annually. What is certainly clear is that our country has diminishing prospects of becoming competitive in international markets and of emerging from the state of prostration and dependency in which it finds itself. The opening up of the economy has not been a success. What was done in this area was to open our doors to the importation of all kinds of merchandise. Exports are not growing. On the contrary, they are declining."

Sabas Pretel, president of FENALCO [National Federation of Businessmen]: "Our projections on economic growth for 1993 are less optimistic than those of the government. According to our projections, the growth rate will be between 2 and 3 percent, and inflation will be between 28 and 30 percent. In a survey made by ANIF [National Association of Financial Institutions] its director said that it is likely that growth during 1993 will continue to be driven by private investment in machinery and equipment. He recommended to the Gaviria administration that it concentrate its efforts on controlling subversion, reducing inflation, and accelerating general economic growth."

Jaime Cordoba, president of the Association of Colombian Farmers [SAC]: "The decline in agricultural production during 1992 will be at least 2 percent. The situation is tending to deteriorate. In the same survey by ANIF the director was not optimistic about economic growth and thought that the government should make some changes in agrarian policy to prevent unfair competition based on subsidies, expand the use of tariff bands, and grant specific support. Among the priorities for 1993 he emphasized that action should be taken against the narcotics traffic, employment should be increased, nontraditional exports should be promoted, and the process of privatization should be accelerated."

German Bula, president of ACOPI [Colombian Association of Small Industries]: He was more optimistic about the growth and stabilization of the economy. He commented that revaluation of the peso and the rationing of electricity are hitting at small industry. Nevertheless, his association is less pessimistic about the performance of the economy. He hopes that in 1993 the economy will continue to be driven by private investment in machinery and equipment. In his view the priorities which the government should have for 1993 include the concerted development of a clear and stable industrial policy, an increase in social investment, and negotiation of a trade agreement with Mexico.

In general, the spokespersons of the productive, financial, and labor sectors have reservations about whether there will be an economic boom.

* Fedemetal Concerns, Sector Growth Discussed

93SM0119A Santa Fe de Bogota EL TIEMPO in Spanish 17 Dec 92 p 3C

[Text] The steel, metalworking, and automotive sectors have asked the government to take into consideration differences between Colombian and Mexican industry when negotiating with Mexico.

During the third quarter of 1992 the metallurgical and metalworking industry displayed dynamic behavior, despite the change in economic policy and the deterioration in public order, the major problems encountered during this period.

According to a survey conducted by Fedemetal [Colombian Federation of Metal Industries], production during these months grew 23.3 percent compared with the same period of 1991.

In comparing the production quantities between July and September with those of the preceding quarter, a 20.2 percent increase was observed.

These results are supported by businessmen's comments about the present situation. According to 55.4 percent of those polled, the situation is good, and only 4.6 [as published] percent consider it average or negative. None of the respondents termed it bad.

Short-term prospects are also promising. Of those businessmen surveyed 47.7 percent felt their situation is going to improve, and a similar proportion believe it will remain stable.

However, there is concern that for the first time people in industry feel the decline in public order is an impediment that will directly affect them. According to the businessmen, terrorism, kidnapping, and extortion are affecting the industrial climate.

Rationing, which was of concern at one time, is not cited on the list of the sector's major problems.

According to the president of Fedemetal, Luis Gustavo Florez, businesses have optimized their production processes and are using energy more efficiently.

The steel, metalworking, and automotive sectors have asked the government to take into consideration the structural differences between Colombian and Mexican industry when working out schedules for lowering tariffs with Mexico.

Fedemetal, an industrial association that encompasses these three sectors, expressed its concern about the lack of information released on issues like exchange rate policy, electricity service, and tariff readjustments. These factors may create disadvantages for Colombian industry when free trade is established with Mexico.

In a letter addressed to the ministers of foreign trade and economic development, he asked that mid- and long-term prospects in these areas be clarified, as a poor exchange rate policy may "impair" the competitiveness of both exports and domestic production, while a rise in energy rates "would worsen" cost structures.

The Fedemetal leaders, in presenting the results of the 10 sector studies prepared on the occasion of the trade negotiations with Mexico, felt it was essential to clarify topics such as point of origin standards, safeguards, technical standards, customs regulations, mechanisms to prevent and correct unfair trade practices, and operations like industrial finishing plants.

* Study Points to Factors Threatening Agriculture

93SM0119B Santa Fe de Bogota EL TIEMPO in Spanish 28 Dec 92 p 8A

[Text] According to CEGA [Center for Agricultural and Livestock Studies], agricultural investors and their capital are beginning to move to other countries. For 1993, CEGA forecasts a 3.7 percent decline in agriculture, not including coffee. Imports of foods and agricultural raw materials have increased by 89.7 percent.

In 1992 the agricultural GDP [Gross Domestic Product] will drop by 1.7 percent without coffee, and 1.5 percent if coffee is included.

The most dramatic component in this decline, which may continue in 1993, affects seasonal crops (cotton, sorghum, rice, soy, corn, and beans), projected to drop by 11.3 percent.

For permanent crops (plantain, black tobacco, yucca, fruits, and some others), a decline of 3.3 percent is predicted for 1992.

This is detailed in a report from CEGA, which is evaluating the sector's behavior in 1992 and projecting estimates for 1993.

According to CEGA, "the data suggest that agricultural associations fell short in their pessimism for 1992, and 1993 presents really disturbing prospects."

While for 1992 the Ministry of Agriculture estimated a 1.7 percent growth in agricultural GDP including coffee, and the SAC [Association of Colombian Farmers] predicted a 0.6 percent decline, CEGA calculates this decline at 1.5 percent, including coffee.

Imports Rising

CEGA says the most serious aspect of the decline in agriculture is its impact on the rural economy, as a number of producers of basic commodities are being threatened by imports.

Based on customs data until October, the report indicates that these records show import levels higher than normal for items like yellow corn, oil cakes, soy flour, red beans, lentils, and other dry legumes.

Up to October total imports of agricultural raw materials, animal feeds, foods used as raw materials, tobacco, and beverages came to 1,806,098 tons. Compared with 1991, this is an increase in the value of such imports of a little over $854 million.

Imports of agricultural raw materials during this period rose 66 percent compared with 1991. During the same period imports of animal feeds were up 87 percent, and imported foods intended for use as raw materials increased by 18 percent.

CEGA says that due to the decline in Colombia's agricultural sectors, there can be observed the start of a shift of investment and business toward other countries like Costa Rica, Ecuador, Venezuela, and Bolivia, apparently seeking both physical and economic safety.

In agriculture, the evaluation notes that all together, seasonal crops during both halves of the year occupied 220,000 fewer hectares than during 1991.

"This means there are 10.4 percent fewer farm jobs, which means that 8 million fewer days of labor are being paid now. This reduces the income of the poorest sector of the population by 20 billion pesos."

In percentage terms, the area planted declined by 9.9 percent this year. CEGA says that farmland planted will shrink even more in 1993, up to 11.8 percent.

Paraguay

Presidential Hopeful Zapag Advocates Dialogue

PY2701215293 Asuncion ABC COLOR in Spanish 27 Jan 93 p 8

[Text] Commenting on the Armed Forces commander in chief's refusal to hold a dialogue with politicians, Abraham Zapag, the National Alliance presidential hopeful, stated: "I do not agree with this decision, and I think nobody else will agree either. I believe that a dialogue must be held with the Armed Forces now, therefore, I regard General Rodriguez' argument that a dialogue between civilians and soldiers is untimely and unjustified."

Rodriguez yesterday appointed [Interior Vice Minister] Juan Carlos Galaverna as mediator in the dialogue with politicians.

However, Zapag has termed the fact that the president of the Republic, in his capacity as Armed Forces commander in chief, has ratified the document submitted by the presidential hopefuls as positive. Zapag said: "I think that in ratifying the four points we have approved, he is acting on behalf of all soldiers because he is the commander in chief. In my opinion nothing else can be demanded because we cannot amend the Constitution for the time being; we have to act in keeping with it."

Domingo Laino, the presidential candidate for the Authentic Radical Liberal Party, had proposed the resumption of the civilian-military dialogue. This morning he urged the other presidential hopefuls to attend a meeting to make a decision on the government's refusal to hold a dialogue.

Caballero Vargas Reiterates Position

PY2701223293 Asuncion ABC COLOR in Spanish 27 Jan 93 p 9

[Text] National Encounter presidential candidate Guillermo Caballero Vargas said yesterday that he has not received an invitation for the meeting convened by Domingo Laino [Authentic Radical Liberal Party, PLRA, leader] for this morning to analyze General Andres Rodriguez' refusal to restart the civilian-military dialogue. Caballero Vargas stressed, however, that he would attend if the PLRA candidate sends him an official invitation.

"I have not received an invitation to this meeting. I do not even know where it will be held. If I am invited, I will participate in the discussion of Gen. Rodriguez' answer to Laino's proposal," Caballero Vargas said.

The presidential candidate ratified his position regarding the civilian-military dialogue, insisting: "We must now mobilize all citizens to strongly support the democratic transition and the unconditional and strict observance of the Constitution and the laws."

He said that the opposition's task of ensuring a successful end to the transition period must be through good organization to ensure the proper supervision of the election in order to make it as clean as possible.

"To that end we will not only organize our own forces. We will also seek international support to ensure that the process concludes successfully," Caballero Vargas concluded.

Columnist Urges U.S. Social, Health Assistance

PY2701204093 Asuncion TIEMPO 14 in Spanish 27 Jan 93 p 4

[From the "Director's Reflections Column": "Looking To Swap One U.S. General for One U.S. Doctor"]

[Text] Our headline sounds a bit like one of those advertisements that appear in classified columns in newspapers. Both would be good business. The military man will not waste his time helping an Army that promises democracy, and he would be replaced by a doctor from any hospital in any small U.S. town who could help alleviate the enormous need for health assistance.

Planes, automatic weapons, ground deployment, and so forth are usually the medium-term results of a visit by a general.

In accepting these donations, we must promise to behave well and above all to live under democracy and fight drug trafficking. All this is fine.

If the advertisement were to be successful, we would welcome a Yankee who would propose the same conditions. However, he would not just meet with the president of the Republic. He would visit places with his colleagues and would become acquainted with the urgent need for instruments and materials. In this way he would really help alleviate the extreme poverty of our hospitals.

If the Army can do it, why can the ambassador not arrange this type of visit that would offer something much better than just military equipment? A great country like the United States should be encouraged to send doctors to countries that are completely lacking in social assistance.

Like the work done by the formidable Peace Corps in its close control of the world's problems, the United States must accept the idea of sharing what it has in keeping with its responsibilities, for example, in permanent assistance to poor children.

The United States has, as we end this century, conquered the world and has no rivals. It must be proud because it can observe a boundless field from its terrace. In practice, everything is at its feet.

It must now play an urgent role. It must designate generals to other zones and send us doctors. It is true that the United States makes huge donations, and always in keeping with the needs of each country.

What level has been assigned to Paraguay for receiving any aid?

We are far from Cuba, or the Gulf, right.

But new winds blow in the White House, and as the demands of many minorities have been met, this portion of Latin America now awaits a reply.

We promise to behave well.

Communique Views Gonzalez Rojas Arrest

PY2801021493 Asuncion RPC Television Network in Spanish 2335 GMT 27 Jan 93

[Text] The Armed Forces Commander in Chief's Office today released a communique on Colonel Luis Catalino

Gonzalez Rojas' arrest. The communique states that the commander in chief ordered Gonzalez Rojas' arrest for repeated acts of indiscipline.

The communique states that Col. Luis Catalino Gonzalez Rojas was acquitted of serious offense and slander charges in the 4th Infantry Division. Nonetheless, in view of the colonel's clearly undisciplined behavior and open disrespect for military rules during the inquiry, he was sentenced to 90 days imprisonment in the Pena Hermosa military jail. The colonel already has served 44 of those 90 days. He will serve the remaining 46 days starting the moment he appears before authorities and remains under arrest, as established by Article 228 of the Military Penal and Procedural Code, which entitles judges to sentence or acquit accused people not only on the basis of the main charges filed against them, but also for related crimes and accidental mistakes the accused person may have committed before, at the time of, or after the crime.

Using the power bestowed on him, the Armed Forces commander in chief ordered immediate compliance with the disciplinary penalties imposed on Col. Luis Catalino Gonzalez Rojas, resulting from his repeated and systematic acts of indiscipline and his clear contempt for his duties as a soldier on active service, which are made worse in view of his high position in the institution. After serving his sentence, Col. Gonzales Rojas must appear before the Armed Forces commander in chief to receive further orders.

Poll Shows ANR, EN in Close Race

PY2701204993 Asuncion TIEMPO 14 in Spanish 27 Jan 93 p 1

[Unattributed article: "If the Elections Were Held Today"]

[Text] We have unofficially been able to get access to a poll carried out by a private consulting firm on voting intentions, which today are as follows:

Party	Urban Centers	National Level
ANR [National Republican Association-Colorado Party]	29 percent	31 percent
EN [National Encounter]	38 percent	30 percent
PLRA [Authentic Radical Liberal Party]	12 percent	19 percent

Peru

Paris Club To Renegotiate Foreign Debt

PA2701231393 Lima Radio Programas del Peru Network in Spanish 1700 GMT 27 Jan 93

[Text] The Paris Club will renegotiate the Peruvian foreign debt retroactive to September 1992 due to an agreement signed with AID. Economy Minister Jorge Camet and the director of AID signed an agreement to reprogram $152 million in delinquent loans signed before 1983. The agreement will allow Peru to continue its foreign debt payments without major adjustments, it was stated by the economy minister. Camet explained the first debt will be reprogrammed for 20 years, with a 10-year grace period, and the second one will be reprogrammed for 15 years, with an eight-year grace period.

Council of Ministers Delays CCD Appearance

PA2801145993 Lima Global de Television Network in Spanish 0000 GMT 28 Jan 93

[Text] The Council of Ministers will not appear before the full Democratic Constituent Congress [CCD] on 2 February, as originally scheduled. The meeting is now scheduled for 14 February. The decision was made after it was learned that Economy Minister Jorge Camet would be traveling to the United States around the original date in order to initiate negotiations with international institutions. This was confirmed by President Alberto Fujimori. Here is what President Fujimori said:

[Begin recording] [Fujimori] A complementary measure has been taken to make it easier for the community to vote, particularly for those who are voting table officials. Tomorrow, 28 January, has been declared a nonworking day. It is not a holiday. This means that the hours a worker does not work will be compensated according to an agreement reached between the worker and the company at which he is employed. He will make up the hours next week either by working overtime or by working some other day.

[Unidentified reporter] In the past few hours, the CCD has been debating the freedom of the press. It has been said that the official majority wanted to approve [a draft bill] without the presence of the press—behind closed doors, that is. The opposition had expressed its rejection. There is concern.... [pauses] the radio and television association has issued a communique regarding this situation.

[Fujimori] Well, I regret that past attitudes and behaviors are being repeated. That is, distorting the government's true plans and goals. There is clearly a misrepresentation here. As throughout the nation, the government partakes in the need to pacify the nation. Therefore, Congress is considering, among other things, proposals to prevent the circulation of terrorist media. I am certain the community understands what the goals are, what the plan is, in which this inalienable freedom of the press should be granted....

[Reporters, interrupting] [Words indistinct]

[Fujimori, interrupting] For example, we have spoken before about the evaluation of information. Over the last few days, we had a second example of information evaluation. A local paper made serious charges about an officer who participated in the 13 November coup

attempt. After evaluating the information, however, it turned out to be a hoax. That conclusion—knowing whether or not the information was authentic—is for the internal use of the government. I repeat, for the internal use of the government. This will in no way lead to controlling the magazine or to undertaking legal actions against that magazine.

I would also like to clarify something about the date of the cabinet appearance at the CCD. Economy Minister Camet must travel to Washington on 2 February to continue with the reinsertion process. Therefore, the cabinet appearance at the CCD, which we believe should include the economy minister, will not take place on 2 February. We are coordinating a new date, which will probably be after the economy minister has returned. It could be 14 February, Saint Valentine's Day. [end recording]

Bomb Damages Fujimori Polling Place

PA2801035793 Lima Radio Programas del Peru Network in Spanish 0305 GMT 28 Jan 93

[Report by reporter Ismael Byron Horna]

[Excerpt] The explosion of what appears to have been a bomb has caused heavy damage to the Maria Molinari private school, located on Aviacion Avenue in San Borja District. According to the police, President Alberto Fujimori voted at this school for the Constituent Congress elections and was scheduled to do the same for the municipal elections. We are going to try to talk with police officers who are conducting the investigations. Sir, was it a bomb?

[Unidentified police officer] We are verifying that right now.

[Horna] The national police are telling us they are verifying this. At this time, a tight security cordon has been set up around the school to prevent local residents from entering. The windows of some of the houses in this area of southern San Borja have also been damaged. We are going to try to talk to another police officer. Officer, have there been any casualties?

[Second unidentified police officer] We are investigating whether there were casualties.

[Horna] Were there casualties or just damage?

[Second police officer] Only damage.

[Horna] Right, there was only damage. It was a bomb?

[Second police officer] An explosive device. [passage omitted]

Shining Path Clashes With Police in Lima

PA2701141393 Lima Global de Television Network in Spanish 0000 GMT 27 Jan 93

[Text]In their desperate attempt to foil the municipal elections, which seek to strengthen the democratic system in Peru, a group of 10 terrorist criminals attacked the police post at the wholesale market in Lima.

The police reacted quickly. This prevented a tragedy inasmuch as the rebels, who were carrying weapons of various caliber, were planning to detonate a powerful charge of dynamite and ANFO [ammonium nitrate fuel oil], which is characteristic of their macabre actions.

Fortunately, the Shining Path members failed, thanks to the good job done by the police. But they left a sorrowful toll of two policemen dead and three civilians injured. The rebels sustained two casualties in the clash.

Our reporters covered the news for you as follows:

[Begin first unidentified reporter recording] The rebels clashed with the police in a shoot-out with heavy weapons. One terrorist was killed in a lengthy skirmish that took place in the early morning hours of 26 January in the vicinity of and inside La Parada Market at La Victoria. Police found one rebel with two buckets filled with ANFO. We have confirmed reports on the death of one policeman.

This is another one of the terrorists killed during the shoot-out outside La Parada Market. The police have been enforcing strict security measures and do not allow journalists to get close to this place. [end recording]

According to the police, the final toll of the attack against the National Police Post at La Parada wholesale market in the early morning hours of 26 January stands at two policeman and one alleged terrorist dead. Five rebels were arrested.

The names of the victims are: National Police noncommissioned officers William (Yoses Laconde) and Mario Rivas (Aedo), and Henry Zavala (Ciwilcha), 16, who was presumably a subversive. Relatives of the victims identified the deceased.

[Begin recording] [Second unidentified reporter] Did you know terrorists were in this area?

[Unidentified speaker] Yes, the cart drivers were the terrorists. They had the place surrounded. That is why this post was going to be moved out of here. [end recording]

According to the investigation, this report is quite feasible as it is amazing how easy it was for the terrorists to attack from inside the wholesale market while so much activity was going on.

National Police confirmed the arrest of five of the 20 [number as heard] subversive men and women who reportedly participated in the attack, who also had plans to dynamite the police post, which has been the target of three attacks in less than six months.

One of the arrested men was identified as Jose (Vizquierres Villa), 27. He is being interrogated along with the other rebels.

Venezuela

CSE Decides on New Elections in Sucre, Barinas

PA2701190193 Caracas Venezolana de Television Network in Spanish 1550 GMT 27 Jan 93

[Text] At 1000 on 27 January, the Supreme Electoral Council [CSE] began to hold permanent sessions to analyze the cases of Puerto Cabello, Guarico, and Nueva Esparta, following the resolution of the Sucre and Barinas problem. The CSE decided to hold new elections for governors in both states on 14 March.

CSE President Isidro Morales Paul announced this agreement, adding that now the case will not be passed on to the Supreme Court, as had been foreseen initially. The decision was made with six votes in favor, two against, and one abstention. The CSE president, who abstained, explained his reasons.

[Begin Morales Paul recording] I abstained for the following reasons: First, I do not think this is a case of a complete absence of governors. Although two governors resigned, there are still other candidates who have not given up their option to occupy that post. It is my opinion that all candidates should resign, even those who placed last in the elections. Secondly, the law on the removal of governors stipulates that the law of each state must determine the way to choose the governor. According to the Barinas law, the Legislative Assembly must make that decision.

I feel that we must seek a political solution. I agree that the problem must be resolved because of the country's delicate situation. I also believe in the need to seek a reasonable solution among the various political forces. Because of the reasons I have already explained, I feel that this solution is illegal, and thus I do not agree with it. [end recording]

Secretary Comments on Sucre, Barinas Elections

PA2801134793 Caracas Venezolana de Television Network in Spanish 2350 GMT 27 Jan 93

[Text] Jesus Ramon Carmona, secretary of state for relations with congress, has said the Executive Branch has not yet been able to assess the scope of the Supreme Electoral Council [CSE] decision to call new elections in Sucre and Barinas States. After admitting that the Executive Branch has not read the text of the CSE ruling, and hopes to study it on 28 January to determine the scope of the decision, the secretary said the situation in Sucre and Barinas remains unchanged. He pointed out that the CSE ruling justifies and substantiates the neutral attitude the Executive Branch displayed throughout the election process in Barinas and Sucre.

[Begin Carmona recording] You must realize that the CSE has absolute authority with regard to the voting process. The Executive Branch must respect and comply with its rulings. Within the structures of a state of law, the CSE is responsible for deciding on issues such as this. [end recording]

Secretary Jesus Ramon Carmona stressed that any legal action aimed at solving the situation in Sucre and Barinas States is good for the democratic system. Hence, the CSE decision to resolve the problems in these two entities in the shortest possible time must be interpreted as one such action.

Air Force Plane Crashes; Pilot Ejects Safely

PA2801151593 Caracas Venezolana de Television Network in Spanish 2350 GMT 27 Jan 93

[Text] A Venezuelan Air Force Bronco airplane from the General Rafael Urdaneta Air Force Base in Zulia State crashed into Maracaibo Lake. It was learned the pilot Lieutenant Andres Castillo ejected to safety.

The accident took place after midday on 27 January while the pilot of the Bronco with registry number AD-2865, was on a routine training flight near a beach in Mojan in Mara Municipality, north of Zulia State's capital.

Authorities from the Rafael Urdaneta Air Force Base, south of Caracas, began rescue operations to determine the cause of the accident.